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## **Monterey, California**



## **THESIS**

**REVOLUTION OR REALISM?  
UNITED STATES-IRAN RELATIONS  
IN THE POST-COLD WAR ERA**

by

Bruce Leroy Woodyard

December, 1993

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Revolution or Realism?  
United States-Iran Relations in the Post-Cold War Era

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Submitted in partial fulfillment of the  
requirements for the degree of

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## ABSTRACT

The end of the Cold War has caused the emergence of regional conflicts and a lack of focus in United States foreign policy. This situation, has resulted in a newly confrontational stance with Tehran, manifested by an American policy of containment of the Islamic Republic. However, this portrayal of Iran as a pervasive threat to American interests is a mistake.

This study offers an historical analysis of Iran's foreign policy interests and strategic outlook, a discussion of the dynamics of the Islamic Republic, and a history of United States-Iran relations. Strategic concerns have always dominated this relationship, and this continues to be so today. With the Soviet collapse and the defeat of Iraq, an altered and delicate balance of power exists in Southwest Asia. Iran's strategic importance has thus increased. Furthermore, Tehran must pursue moderation for a variety of reasons.

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## EXECUTIVE SUMMARY

The end of the Cold War has caused a lack of focus in United States foreign policy. Securing peace, democracy and prosperity from this victory has proven elusive. The East-West struggle, characterized by starkly differing political and economic philosophies, has been replaced by regional conflicts based on age-old struggles for control of territory and resources. In this new era a few radical states have emerged as the current threats to Western interests. Iran is often portrayed as the chief of these new threats. This is partially due to certain aspects of Iran's own behavior, such as its attempts to acquire nuclear weapons, and partially due to its radical brand of theocratic Islam. Such factors also make Iran a credible target for both Western and Middle Eastern governments looking for a convenient new enemy for their own political purposes. Thus the portrayal of Iran as the new threat often inaccurately magnifies Tehran's capabilities while belittling its strategic importance. Such portrayals result in mistaken perceptions and do not serve American national interests. An accurate portrayal of the Islamic Republic of Iran and the prospects for United States-Iran relations is needed for policy makers to assess American options in dealing with Tehran.

This study attempts to offer such a portrayal through historical analysis of American and Iranian strategic perceptions, current interests and bilateral relations. It also undertakes a discussion of various dynamics currently affecting Iran in order to properly gauge that nation's possible future course. These dynamics include ideological, military, economic and political factors, their development, capabilities and prospects. Finally, there is an analysis of Washington's current policy and alternative policy options.

American-Iranian relations have always been dominated by common strategy and shared interests. The United States is a maritime power in the traditional sense, with economic and political power dependent on control of the sea lanes and access to foreign resources and markets. Increasing Western reliance on Gulf oil is included in this category and is therefore viewed as an asset. Formerly, American interests in the Middle East were dominated by containment of Soviet expansion. Today the prime concerns are security and stability of the region and the continued flow of oil at moderate prices.

While Iran basically has a continental orientation, it in fact exhibits many elemental characteristics of a maritime nation, including coastal access and dependence on seaborne trade. Its system of external trade is if anything more vulnerable than that of its neighbors. Damaged by a long war and surrounded by existing and potential conflicts, Tehran is interested in stability and has few reasons to attempt territorial aggrandizement. Thus its interests and strategic concerns converge with those of the United States.

Iran's unique brand of theocratic Islam is primarily the vision of one man, the late Ayatollah Khomeini. As such, it is not necessarily shared by other Iranians or Muslims, either clergy or laymen, and is therefore not hegemonic. While the clerical regime has become institutionalized to a remarkable degree, it suffers from many contradictions and is fraught with conflicting political factions. Outside the context of war and revolution it has enjoyed few successes and must eventually moderate its stance on many issues in order to proceed with realistic nation-building. The government is still evolving in both form and substance, and while almost surely remaining "Islamic" will probably move toward the center.

Iran's military has undergone major transformations since 1979. While more nationalistic, cohesive and legitimate than it was under the Shah, it is also contending with serious problems. Not least among these is lack of skilled manpower and adequate logistics

and production infrastructure. It also lacks the force structure, mobility and effective command and control capabilities required for modern offensive warfare. Even though planned acquisitions of modern weapon systems are worrisome, it does not yet have the ability to absorb or properly support these systems in combat. Above all, it can not be considered a credible threat to regional order given the presence and proven abilities of United States forces.

Internally, Iran is experiencing continuing political problems. Though the clerics are firmly in control of the government, they are divided among themselves. Pragmatic elements haltingly attempt reforms and amicable relations with the rest of the world, while extremists cling to power through their revolutionary credentials and radical agenda. Neither group is strong enough to shift events completely their way, and it is this dichotomy which causes the outside world so many problems in dealing with Tehran.

The current United States policy is not truly one of containment, but simply one of sanctioning sensitive material and technology, and attempting to gain a broad consensus on these sanctions. While a practical step, this action alone is not sufficient to change Iranian behavior - Washington's stated goal. Critical technology and material will likely be available through some channels even if international sanctions are adopted, while a confrontational stance will not allow the regime to moderate. Such a course will only exacerbate existing tensions and possibly upset the delicate balance of power in the Gulf.

Instead of conflict, the United States should use its position of strength to pursue cautious, realistic engagement with Iran based on shared economic and strategic interests. Gaining Iran's cooperation of major issues, including arms proliferation and control, would strengthen the pragmatic elements in the government, foster economic development, and improve the security and stability of the region, which is arguably America's number one interest.



## I. INTRODUCTION

The three main foreign policy objectives of the United States during its short involvement in the Middle East have been to contain Soviet expansion, ensure the flow of oil and safeguard the existence of Israel. While these goals have been successfully met, their accomplishment has been more the result of ad hoc response to crises than policy formulation which would protect American interests by promoting peace and stability in the region. This is an especially lofty goal in an area with such numerous sources of conflict, and one largely made impossible by the Cold War and regional polarization. However, the recent, far-reaching changes in the region and the international system give the United States more freedom to pursue these goals than before. While it is doubtful that there will ever be lasting resolution of the many deep-seated conflicts in the Middle East, an American approach that is more realistic and even-handed could serve to promote cooperation, improve economic disparities, de-escalate the arms race and ease tensions in general.

The end of the Cold War has had wide implications throughout the world. While the superpowers often had little success in manipulating events or suppressing conflict in the Middle East, the return to multi-polarity is as important here as it is in the rest of the world. The direct consequences of the collapse of the Soviet Union are numerous. These include loss of a superpower sponsor for radical states/movements; the end of communism as an intrusive ideology; the lack of an extra-regional threat to American interests; the impetus for changing U.S. strategy and military force structure; and less reliance by American allies, principally Western Europe and Japan, on U.S. military power (divergence of interests for lack of a common threat). The result is that, with the overarching Soviet threat removed, the U.S. is free to take a realistic approach to the nations and issues of the Middle East while honestly assessing our own interests - however, other powers are also free to do the same.

There are also numerous consequences of the Second Gulf War. It conclusively ended the myth of Arab unity; affirmed the preeminence of the nation-state system despite its artificiality; proved that the U.S. will go to war to protect its vital interests; provided an example of international support for enforcing UN resolutions; demonstrated U.S. military capability and the political will to use it; and confirmed the inability of the GCC states to defend themselves, thus cementing their reliance on American protection. Results include a changed regional balance of power in favor of Iran; increased U.S. credibility with Arab states; pressure for greater political participation in Gulf States; and increased arms sales in the Gulf area. Additionally, the failure of overt aggression against a neighboring state proved that the major threat to Gulf regimes in the future is internal vice external.

There were several political initiatives to enhance Gulf security immediately following the war, the most significant of which were the Arab-Israeli peace talks, a possible U.S.-Iranian rapprochement, and the Damascus Declaration. Although promising at first, all of the above initiatives have suffered setbacks of one form or another. This may lead one to conclude that the window of opportunity to create cooperation and stability in the region has closed. However, the basic situation has not been fundamentally altered. The U.S. is still the sole superpower in the world and the guardian of Gulf oil, Iraq is down but not out, Iran is attempting a resurgence, Israel is the preeminent regional military power, and the Palestinian question remains unresolved. It is conceivable that the implementation of a comprehensive Gulf security policy could still allow the United States to consolidate its recent victories.

## II. THE SECURITY CHALLENGE

### A. THE END OF BIPOLARITY

To say that the dramatic changes manifested in the world since 1989 have had a profound effect on the international system and American foreign policy is an absurd understatement. The consolidation of the West's long-sought victory in the Cold War is proving to be as great a challenge as the waging of the struggle itself. As much as Americans wish to follow their time-honored tradition of withdrawal and demilitarization after winning a war, they are finding that as dangerous as the communist threat was, it actually suppressed numerous smaller conflicts that are only beginning to emerge. Often these conflicts are based on the age-old reasons for man's inhumanity to man, such as control of territory, commerce, resources, or water, and long-standing ethnic and religious prejudices. To Americans, immersed in a melting-pot culture and imbued with traditions of freedom, democracy and capitalism, all re-confirmed by the recent victory, these struggles seem incomprehensible. The liberal hope that the nations of the world would willingly devolve into multilateral cooperation and democracy is quickly being dashed on the rocks of Hobbesian realism. Though it is not easily accepted that a triumphant America cannot lead the West in enforcing peace and promoting democracy and economic prosperity now that the Soviet Union is gone, it is equally difficult to justify intervention for moral reasons and continued defense of our allies in a world suddenly devoid of any clear-cut ideological struggle. While radically altering the international system and necessitating a re-definition of our national interests, the "end of ideology" gives the United States greater freedom to act both morally and realistically, placing undiluted national interests above all else and treating all nations with an even hand wherever possible. While the future international system is difficult to predict, it will surely be shaped by the strategy and national interests of the United States. If America is to continue to lead the world, its foreign policy must now be more clearly focused than ever before.

## B. THE REGIONAL VIEW

While any coherent foreign policy and military doctrine must be shaped by grand strategy and national interests, it must also take into account the interests and policies of other nations and their potential reaction to our own moves. There must be a realization that the Soviet collapse has also had a profound effect on those nations with whom our interests either coincide or conflict. Even as the superpower rivalry overshadowed all other concerns for the past half-century, now the lifting of Cold War polarization, in concert with a globally interdependent economy and the rapid growth and transfer of technology, allows nation-states to ardently pursue their own interests. Instead of a rush to Wilsonian liberalism, the continuing affirmation of the nation-state system offers distinct possibilities for reverting to a realist state of anarchy.<sup>1</sup> In such an environment it is impossible for the United States, despite its undoubted power and influence, to follow a broad ideologically-based course of action which is appropriate for the entire world system. If an anarchic system prevails, it is necessary for nations to define and follow their strategic interests, which will undoubtedly vary depending on nation, region, and circumstance, rather than Western ideas of correct ideological leanings or domestic political systems. This is not to say that the United States cannot dominate the world, but it will not be able to shape each country in its own image or enforce peace and stability in accordance with its own ideals.

Nowhere is this more true than in the Middle East. Though this region has long held strategic interests for foreign powers, its many conflicts of both ancient and modern origins were less suppressed by the Cold War than anywhere else. Indeed, several Middle East countries consistently lead the world in arms imports,<sup>2</sup> and the region has been the scene of numerous wars, revolutions and instances of civil strife which have had profound implications on the rest of the world. This is not to say that the Cold War had no effect in this area. Quite the reverse is true. But while the superpowers certainly had vested interests here, their influence neither prevented armed conflict nor fully achieved their own ends. Continued diplomatic, military and economic involvement in the region have yielded

numerous U.S. foreign policy frustrations and failures. Indeed it may be argued that there was rarely a coherent strategy for the Middle East except to contain Soviet expansion, support Israel, and guarantee access to oil - goals that, while understandable from the U.S. perspective, certainly did not take into account the myriad problems and conflicts inherent in the region. From this viewpoint there is little reason to believe that there is any more chance for peace and success in the future, either in regard to intra-regional conflicts or U.S. policy. However, with the Soviet threat gone and a myopic world view with it, there is the chance that the U.S. may be able to deal effectively with states in the region from a realistic perspective, one that honestly assesses each nation's own interests and deals with them accordingly.

### C. NEED FOR COMPREHENSIVE STRATEGY

The Gulf War in particular has made it painfully clear that regional conflicts are likely to be the rule for the foreseeable future and, more importantly, that the lack of a comprehensive security strategy for the Gulf necessitates continued military presence and possible action for the United States.

While the overwhelming tactical success of the coalition forces in the liberation of Kuwait is apparent, the strategic aftermath of the conflict is neither successful nor stable. With the balancing force of Iraq effectively removed from any tacit Western-Arab coalition, both Iran and the Arab monarchies strive for dominance in an atmosphere of mutual distrust. Both sides appear strong on the surface, yet both face daunting obstacles to their ambitions. Meanwhile the United States protects the GCC, keeps a boot on Baghdad's neck and warily eyes Tehran.

Yet the current proliferation of weapons and tensions endemic to the region do not bode well for this precarious situation. Though America's military preponderance is sufficient to guarantee stability for the time being, the U.S. faces many other challenges in

the world. While decisive military force is vital to the superpower role, this alone cannot safeguard America's interests. Political and economic measures must be applied comprehensively from a position of strength if regional security and stability is to be maintained. If the purpose of war is to make a better peace, this objective has not been met in regard to the Gulf War. America, and only America, may still achieve this goal, however. To this end a realistic assessment of the interests of the United States and a focus on the common security concerns of all Gulf nations is a necessity. Iran is an inescapable and vital part of any long-term security arrangement in the Gulf.

#### D. THE DILEMMA OF IRAN

Iran is the quintessential Middle East example of a combination of superpower involvement, regional conflict and foreign policy failure. This was at least partially due to the fact that the overarching desire to contain Soviet expansion led policy-makers to ignore domestic and regional concerns. The United States was not only dealt a major setback by the Islamic Revolution of 1979, but has since been unable to come to grips with the revolutionary regime and Iran's own nationalistic and ideological goals. Conversely, Iran has not yet moderated its own radical stance enough to accept cooperation with the world system.

Yet it remains a major regional actor, with a large population, oil wealth and a geo-strategic position. Furthermore, it is imbued with a radical ideology and a strong sense of its own nationalism. With the Soviet collapse, the defeat of Iraq and possible international retrenchment by the United States, Iran has the potential to assume a new importance in the region. This presents America with her major foreign policy challenge in the Middle East. How the U.S. chooses to deal with Iran will have long-term implications for the security and stability of the region. To assess this situation an examination of U.S. and Iranian strategy and interests is appropriate.

### III. UNITED STATES STRATEGY AND INTERESTS

#### A. A MARITIME POWER

The United States is a maritime power in the classic sense, following the earlier traditions of the Portuguese, Dutch and, of course, the British. This strategic tradition has its roots in liberal economic ideas of free international trade and access to resources.

In this ....perspective, the system of external trade...contribute(s) to prosperity in peacetime and represent(s) a potential strategic asset in wartime. These benefits ... only accrue if access to resources (can) be secured at their source and the sea lines of communication protected...<sup>3</sup>

There are three key aspects to this strategy: 1) Dependence on foreign markets and resources is viewed as an asset to be defended rather than a liability, 2) The strategy of access to and defense of key areas is a maritime one, and 3) The impetus for action is based on vital interests and maintaining the status quo.<sup>4</sup> Although this principle views dependence on foreign resources as an asset, it also acknowledges that it is a vulnerability which could be exploited by one's enemies. Such dependence, however, is viewed as an accepted vulnerability, one which is economically more cost-effective and politically and militarily more feasible to exploit and defend, if necessary, than working toward domestic self-sufficiency or attempting to gain direct control of such resources.

America, as modern successor to the Pax Britannica and an "island nation" in many respects, has followed the same strategy. Though not heavily dependent on imported raw materials (except oil), the United States economy is dependent on export markets for both raw materials and finished goods in the rest of the world. Furthermore America's western allies, the major industrial nations of the world, are heavily dependent on raw materials imported from abroad in the traditional sense. Since the industrial might of the West forms the economic engine of world prosperity, the U.S. is dependent on secure lines of communication, international trade and access to resources and markets. This is

increasingly true with the emergence of a multi-polar world with no clear cut, worldwide threat and heavily interdependent economies. Though our allies are even more dependent on international trade than is the U.S., only the United States possesses the military wherewithal to defend these vital supply assets and keep the lines of communication secure.

A maritime strategy is normally implemented by protecting lines of communication, securing strategically located bases, and gaining commercial access to overseas resources and markets. The prime example of this is the maritime empire of 19th century imperial Britain, especially regarding the lifeline to India. Obviously such an approach places a heavy premium on the preponderance of sea power and suitable agreements with regional states which make it possible to deploy forces rapidly in the event of crises. America successfully pursued just such a strategy of forward deployment throughout much of the world during the Cold War, and used the same approach to telling effect during the Gulf War. However, much of this strategy depends on the good will of allies in granting U.S. basing rights and facilities. In the post-Cold War era wherein vital interests are difficult to identify and reach a consensus on, the world is in many respects less dependent on U.S. protection, and many nations are in a state of accelerated political development, access to forward bases is much less certain. In this environment, it is necessary for the United States to build security and stability from a position of military strength but with more than just military means.

As stated above, a maritime approach is driven by identification and defense of spheres of vital interests. This concept carries two distinct meanings. First is that the maritime power in question does not seek direct control or possession of the vital interest area or resource, merely access to and defense of it. Thus, a maritime strategy is not necessarily an imperialistic or intrusive approach that is in conflict with the interests or independence of regional states, although it can be construed as such. Second is the maritime power's desire to "moderate regional antagonisms and promote favorable political

outcomes at the local and regional level.<sup>5</sup> This factor is a point at the heart of this essay. The maritime power's need to promote security and stability in areas of vital interest is linked directly to the requirement for access to resources and markets. It is impossible to enjoy unhindered access to vital resources in an area which is inherently unstable and fraught with continual conflict. Though superior military power is necessary to this end, military superiority alone cannot suppress or control all the indigenous conflicts of a region. Furthermore, great power involvement in complex internal and intra-state conflicts has a dismal record of failure. Though the continuing legitimacy of the maritime strategic approach to warfare and defense of vital interests was demonstrated perfectly in the Gulf War of 1990-91, America failed both to deter the conflict and to create any long-term stability in its aftermath. A maritime power is not only characteristically supportive of the status quo, it should also be vitally interested in conflict resolution and deterrence - in short, long-term security and stability of a region of vital interest.

## B. DEFINITION OF AMERICAN INTERESTS

Since the maritime strategic approach includes identification of areas of vital interest, it is necessary to explore these interests and their relevance in the post-Cold War world.

### 1. Promoting Stability

During the Cold War Soviet containment was the United States' primary concern in the Middle East. While Soviet expansion is no longer a threat, the Soviet collapse brings forth a host of new and less well-defined problems. These include the stability of governments in Moscow and the new republics; economic development; ethnic, religious and nationalistic strife; and the proliferation of weapons and technology. The Soviet disintegration also has larger implications regarding Middle East nations that border the CIS, were under Soviet dominance or have ethnic or religious ties with the peoples involved. The breakup effects Iran, Iraq, Syria, Turkey, Afghanistan, Pakistan and India.

Directly threatening America's interests is the rise of regional powers, such as Iran and Iraq, which now have more freedom to act in their own interests. If the Cold War held any interstate or inter-regional conflicts in check, this controlling influence is now gone. Rather than combatting communist expansionism, the problem is now one of promoting stability, reducing arms sales, and curtailing the proliferation of critical military technology and weapons of mass destruction. In order to ensure continued American access to vital resources, economic and political development must strengthen the nations involved while tensions and military build-ups are controlled. This is a daunting task given the fluid political and economic situations and delicate societies of Southwest Asia. Since American presence is limited in many areas of the region, this cannot be done by the U.S. alone, or by purely military means. It will take a cooperative effort and a combination of economic, diplomatic, intelligence and military assets. Thus broad consensus and cooperation on these issues is a requirement, but such a consensus is exceedingly difficult to arrive at when a monolithic threat disappears and interests diverge. Any multinational effort at promoting stability must not be undertaken only by traditional allies in Western Europe. It must focus on regional nations and interests they have in common with the United States.

## 2. Oil

The second of America's vital interests in the Middle East in the post-Cold War era can be summed up in three words - oil, oil and oil. The reason for United States involvement in the Gulf is to ensure the uninterrupted flow of oil at moderate prices, and to prevent any single state or ruler from controlling the reserves. Any major drop in production or sale, or drastic increase in prices, would be detrimental to the globally interdependent economy which runs on Gulf crude.

There are obviously arguments to the contrary. The point is often made that oil prices are currently low and the invasion of Kuwait and subsequent destruction of the fields hardly caused a change in prices or supply. Furthermore, the oil-producing states' GDP and government revenues rely heavily on the sale of crude. The suppliers are at least as

dependent on selling as the industrialized nations are on buying. As long as they are not in alliance with each other it prevents them from controlling the supply and prices too closely. Even virulently anti-Western regimes cannot drink their oil, they must sell it. Therefore the current situation of heightened regional antagonisms benefits the West. It is an economic form of divide and conquer.

While this argument has some merit, the fact is that the oil supplier and consumer nations are in a cycle of mutual dependence. If the price of crude per barrel is too low the suppliers do not get the necessary revenues. If it goes too high alternative sources - both more expensively produced petroleum and other fuels - become economically feasible. So the suppliers have a limited range of prices which they can manipulate (although they can push it to the upper limit of this range). Similarly, the West is dependent on Gulf oil because it is not only some of the best quality crude in the world, it is also the easiest and least expensive to lift. It is currently economically infeasible to develop alternative energy sources and it is economically and politically cost-effective to rely on the vast but admittedly vulnerable fields of the Gulf. There is no major change to this mutual dependence situation in the foreseeable future. Thus the major threat to the world's key oil supply is not some type of price fixing but recurrent war and instability and potentially the irrational actions of some national leader or non-national group. Since, as stated above, the suppliers are equally dependent on selling their resource, the threats to and interests of these states are the same as those of the West. Thus supplier and consumer interests converge. For both groups the top priorities are security and stability of the region and the continued flow of oil at reasonable prices.

Strategic concerns vis-a-vis the Soviet Union have always headed the list of American priorities in the Middle East. Despite the Soviet breakup and the increasing importance of world economics, and due to increasing mutual dependence of oil supplier and consumer nations, strategic interests still dominate. While the U.S. has proven that oil is a vital resource which the country will go to war to protect, it was not the only reason for

American action in 1990-91. Preservation of the status quo and deterrence and punishment of wanton aggression were broader concerns that warranted resort to armed force. Similarly, "control over the resources of Kuwait...was not an objective in its own right for Saddam Hussein, but an essential action in a quest for broader political, military and economic hegemony in the Middle East...it appears that resource-related needs and objectives have tended to be determined by broader strategic aims" instead of the reverse.<sup>6</sup>

While the military option is viable and even necessary to protect vital economic and strategic interests, it is extremely costly by any measure. External military force has also proven woefully inadequate to deter threats of domestic instability and discontent. Thus, it is in the interest of the U.S. and all Gulf nations not only to safeguard the oil fields and navigability of the Gulf, but to promote stability and cooperation among the states of the region. Promoting security and stability in the vital Gulf region is arguably America's number one concern for the Middle East.

## IV. IRAN: STRATEGIC PERCEPTIONS AND HISTORICAL INTERESTS

### A. CONTINENTAL ORIENTATION

If America is a maritime power in the classic sense, Iran is a nation of continental orientation. Tehran and the other urban centers of Iran are primarily situated on the Iranian plateau. As such, they have an landward orientation and are historically tied to Central Asia, Transcaucasia, Afghanistan and Russia by patterns of trade and culture. They are also directed toward Turkey and Central Asia by a history of conflict, which squeezed the Safavids between the Ottoman Empire and invading Uzbeks. For nearly two hundred years an expansionist Russian Empire/Soviet Union posed a major threat on Iran's northern borders, one which was more immediate, intrusive and persistent than any the British and Americans could pose.

Yet the word "orientation" is important here, for Iran cannot strictly be considered a continental power in the traditions of Napoleonic France, Germany, and Russia. These states have historically followed continental strategies which viewed the system of free trade as a vulnerability and the maritime powers as hostile and encircling. In this view such vulnerability must be overcome by gaining direct control of resources and territory in order to achieve larger political aims. For these land-based powers, the strategy of access is continental vice maritime and action is based on revisionist geopolitics instead of defense of vital interests.<sup>7</sup> Although Iraq followed this course precisely in invading both Iran and Kuwait, Iran does not necessarily share this strategy. It would be a mistake to put both countries in the same mold.

Significantly, the traditional continental powers did not possess the raw materials, coastal access, naval power or system of and dependence on trade that the maritime nations did. Iran, therefore, shares characteristics of each. Their history is one of being invaded by continental powers, they have significant natural resources and coastline, and they are

extremely dependent on international trade. Furthermore, with rare exceptions, Iran has seldom strived for territorial conquest outside the present borders. Rather, they have tried to assert their independence and territorial integrity and to exercise regional power through political means. They tend to be a status quo vice a revisionist power. Despite their continental, geo-political outlook and undoubted quest for self sufficiency, Iran is not firmly in the mold of a threatening continental power in the traditional sense. However, the geo-political outlook of Iran is still important to understand the nation's strategic approach and interests.

## B. GEO-STRATEGIC IMPORTANCE OF IRAN

### 1. "The Center of the Universe"<sup>8</sup>

Though the above phrase has been used as part of the grandiose title of Iranian monarchs, it is not without a partial basis in fact. If one views a map of the eastern hemisphere and mentally draws an "X" across the land mass stretching from southern Africa to the Bering Strait and from Northwest Europe to Southeast Asia, it is apparent that Iran comes very close to the center of it all (of course the entire Middle East does also, but it is Iranian perceptions that are important here). Iran has occupied a position of strategic geographic significance since ancient times. Situated between the Caspian Sea and central Asian steppes on the north and the Persian Gulf and Indian Ocean on the south, Iran is astride the natural land and water routes between East and West. Merchants, peoples and invading armies continually passed through and often stayed. The Persian plateau has either formed an important part of numerous empires or served as a buffer between rival powers for centuries. Iran has sometimes been the ends and more often the means of influence and expansion for outside powers.

It is no less so today. A coastline reaching from the Shatt-al-Arab across the Strait of Hormuz to the Indian Ocean puts Iran in a commanding position in the vital Gulf, an area holding the bulk of the world's proven oil reserves. Farther north, Tehran looks toward the rich but uncertain Caucasian region and the emerging, resource-laden and predominantly Muslim Central Asian republics. No other nation borders both of these potentially vital and unstable regions. Though the North-South axis has taken on new significance with the Soviet collapse,<sup>9</sup> Iran still links East and West, particularly the eastern and western ends of the Muslim world. It is also near the borders of China and India, both economically developing nations and regional superpowers possessing a large portion of the world's population as well as nuclear weapons. The slogan of the Islamic Revolution, "Neither East nor West", though intended to have religious and cultural meaning, holds geographic connotations as well. Far from being of less importance in the post-Cold War era, Iran's geographic and strategic position is dramatically enhanced, especially in Tehran's view. This view is bound to shape Iranian national ambitions and foreign policy in the new era.

### C. A LEGACY OF CULTURE AND CONQUEST

Like all modern nation-states, Iran's world view is shaped by its own culture and sense of history. In Iran, however, this takes on a complex double character of both superiority and inferiority, what Fuller terms "a profound schizophrenia".<sup>10</sup> Iranians, as a nation, believe in the innate supremacy of their civilization and culture. Persia was the origin of one of the great ancient world empires, the Achaemenid, established nearly 2,500 years ago by Cyrus the Great. Since that time, several other kingdoms have held sway there, particularly the Parthian, Sassanid and Safavid. Notably, none of these latter three were conquered by competing western empires. This long, but hardly continuous, tradition of

political dominance and importance of the Persian heartland gives Iranians a strong sense of nationalism and independence not shared by most other Middle Eastern states, many of which have appeared on the map only in this century.

Conversely, Iran has also suffered many lengthy periods of invasion and domination by outside forces, including Greeks, Arabs, Turks, Mongols, Afghans, Russians, British and, to a lesser extent, Americans. This experience has given Iran a sense of inferiority, insecurity, suspicion, and xenophobia. Iranians are predisposed to see their nation as the prize of foreign empires, subject to constant political conspiracy and manipulation. This is particularly so when Iran has been politically weak relative to the foreign power in question. Indeed, three key events of this century support this perception: the Anglo-Russian division of the country into spheres of influence in 1907; the Anglo-Soviet occupation in 1941, and the Anglo-American backed overthrow of Prime Minister Mossadegh in favor of the last Shah in 1953.<sup>11</sup> In light of these events, the 1979 Revolution can be seen not only as the ouster of a monarch, but the ending of foreign domination and the re-establishment of true Iranian independence for the first time in over two centuries.

Thus, Iran has undergone many alternating periods of both political ascendancy and subjugation. It is this combination of positive and negative experience that gives Iran its conflicting national character and forms the chief variable in Iranian foreign relations.

If political power is a major variable in Iran's history, Persian culture is an important constant and stabilizing influence.<sup>12</sup> Though frequently suffering under foreign rulers, Persian culture remained a dominant force, often heavily influencing the conquerors. Alexander is said to have married a Persian princess and adopted Persian customs. Under the Arab Abassid Caliphate, Persian officials, art, architecture and literature dominated the empire and contributed greatly to its "golden age". With the political ascendancy of the Safavid dynasty, the adoption of Shiism as the state religion further strengthened the native culture and its singular character. Today, surrounded as they are by Arabs, Turkomen,

Kurds, Baluch, Afghans, and many other groups, the unique, isolated and enduring nature of their ethnicity, language and culture serve to impart to Iranians a feeling of cultural superiority and well-developed national identity. Five hundred years as the only Shiite state and the current identification as an Islamic Republic under clerical rule only enhance Iran's particular national personality and shape Tehran's world view.

#### D. AREAS OF IRANIAN NATIONAL INTEREST

The purpose of this paper is not to define the Iranian national interest, nor is it to explore Iran's relations with each of her neighbors. However, in examining potential foreign policy objectives and directions it is first necessary to briefly identify where the chief geo-political interests lie.

Today, the Soviet collapse presents Iran with both challenges and opportunities. While the looming imperialist threat has disappeared, newly independent states in the Caucasus and central Asia are rife with instability and internal ethnic conflict, problems which have larger connotations regarding both Iran's large ethnic minorities and relations with Turkey, itself a member of NATO and close ally of the United States. However, the lifting of Soviet hegemony brings opportunities for influence and expansion in the developing and predominantly Muslim northern frontiers. It is arguable that the major focus of Iranian interest lies in resource-laden Central Asia and the Caucasus.

Iran also has substantial interests to the east. Though significantly threatened by the Soviet invasion of Afghanistan, the Islamic Republic was only marginally supportive of the mujahadin opposition. This is probably due to the fact that Afghanistan is predominantly Sunni and perpetually wary of Iranian expansion. However, with the Soviet withdrawal and subsequent collapse, Iran will doubtless attempt to increase predominance in this area in order to support stability and create links to their ethnic and linguistic cousins, the Tajiks. Pakistan has long maintained good relations with Iran and is a strongly Islamic nation.

Significantly, though decrying the United States, Iran maintained ties with Pakistan and Turkey, both U.S. allies, following the revolution. Pakistan's long-standing conflict with India, the Muslim-Hindu strife in that country, and Pakistan's nuclear program, strategic coastline and shared Baluchi minority are all reasons for Iranian concern and opportunities in the east. We can expect Tehran's interest to continue in this area.

To the west and south Iran faces the Arab world and the Gulf. Centuries of political and ethnic conflict between Arab and Persian, far from being eased by common religion and anti-imperialist sentiments, continues to this day. Iran has rarely formed any alliances, formal or otherwise, with Arab states, monarchical Iraq, Oman and, currently, Syria are exceptions. The discovery of oil added increased interest in the Gulf region itself to long-standing competition with the rulers of Mesopotamia. The Iran-Iraq War in particular took on overtones of ethnic rivalry.

Unlike the "Northern Tier" arrangements, superpower involvement and Cold War pressures have either prevented or failed to develop any regional security organization which encompassed all Gulf states. Iran, with controlling geographic position, large population and latent economic and military potential, has long posed a threat to the Arab monarchies. This drastically increased with the establishment of a revolutionary regime in Tehran. There is no doubt that Iran sees itself as the predominant regional power and will seek to realize this position whenever possible. The fact that American interests are deeply entrenched in the area only serves to heighten the tension there. Due to this common stake in the region, the Gulf will be the major focus of the policy questions to be addressed below.

## E. IRANIAN INTEREST IN DOMINATING THE GULF

As stated above, Iran's interest has traditionally centered on the plateau heartland, the Caucasus and central Asia. The Gulf itself, though an important waterway, is separated from Tehran by mountains and deserts, and was long an undeveloped and remote area. However, at periods of Iranian political ascendancy, when the heartland was secure from foreign intervention, interest would invariably turn to the southern coasts. Although true Iranian dominance was only intermittently established in the Gulf, no other regional power could achieve even that much. While Tehran's claims today, either to territory or simply dominance, are more a product of historic myth and nationalistic nostalgia, they are probably as good as those of any other state. Additionally, in postulating foreign policy goals, a nation's perception of its role is often as important as fact, and it is a pervasive Iranian perception that they should rightfully control the gulf.

### 1. Arab or Persian Gulf?

Although "a rose by any other name" may well apply to American policy-makers, to the people of the states surrounding it, the title of the Gulf is an extremely important issue. Indeed,

the name *Persian Gulf* describes the problem... the name contains the seeds of the issue: Whose Gulf is this strategic body of water? For Iran, with its acute sense of historical roots stretching back to the first millennium B.C., the term is fraught with pride, suggestive of a historical Persian aegis over the waterway.<sup>13</sup>

The title "Persian" has in fact been the accepted term at least since Portuguese usage in the sixteenth century. In recent years, the Arab states have objected to this appellation, preferring "Arabian Gulf" instead. The United States military has also adopted this term to show solidarity with Arab allies. Yet the fact is that a name cannot confer ownership on an international body of water, so that the Gulf is neither Arab nor Persian, just as the Indian Ocean and Gulf of Mexico are not "owned" or controlled by the nations for which they are named. This fact, however, does little to lessen the political sensitivities involved.

To the extent that a nation-state or ethnic group can claim dominion (as separate from military control) over an international waterway, the issue is one of the preeminent *character* of the area. What degree of cultural dominance, then, does Iran enjoy over the Gulf? Even taking the view that Persian culture has been the consistent factor in Iranian history as opposed to inconsistent politico-military power, there is evidence that Persian influence rarely if ever reached to the Gulf for a long enough time to make it a culturally Persian area. In fact, it was primarily seagoing Arabs from the southern and western shores of the Gulf that inhabited the Iranian coastline, and, aside from European powers, the preeminent naval presence in the Gulf was that of piratical Arabs. Conversely, the Persians have virtually no maritime traditions and only rarely attempted to establish themselves as a seagoing entity. These facts would speak for the Gulf (or at least its coastlines and history) being more Arab than Persian in character.

As with most complex issues, there is another side to the story. Iranians also inhabited the Arab side of the water and continue to do so today, with large populations of ethnic Iranians in Bahrain, the UAE and Oman. The result is that culture and traditions are mixed in this area, as immigrants tend to take on the character of the land they enter. Before the twentieth century, with the rise of modern nation-states and the advent of travel and communication technology, the Gulf waterway was actually less of a "gulf"- a division- than it was a link. With mountains, deserts and marshes surrounding the area on all sides, the water provided the cheapest and easiest means of transportation and served to unite, to a small degree, the coastal settlements which were isolated from the inland civilizations. Thus, the Gulf developed its own character, neither Arab nor Persian but a mix of each. Most of the time regional states were too weak or disinterested to attempt their own control and so the distinction did not really matter until fairly recently.

What does matter is that the Gulf shores are of mixed character and therefore potentially divisive politics. This is of fundamental importance in considering the promotion of regional stability and cooperation. Therefore,

any security scheme must recognize the Gulf region's unique ethnic, religious, and cultural characteristics, as well as its geographic integrity. It is particularly important to recognize the ethnic and religious interpenetration of the Gulf's northern and southern shores and its dual Arab and Iranian character. Any effort to exclude or isolate any country dooms any arrangement. In fact, cooperation and coexistence between the two sides of the Gulf will become more rather than less necessary in the post-(Gulf) War period.<sup>14</sup>

## 2. Attempts at Iranian Sea Power

Though dominant culture is undoubtedly important, the matter of political control must also be addressed. Iran is by far the longest-established nation-state in the Gulf region, boasting a predominant civilization and political empire more than one thousand years before the time of Muhammed. It has the largest population of any state in the area and a coastline running the length of the gulf and extending outside it. It is the only regional power to establish political and military control in the Gulf, however brief and tenuous that control may have been.

Of course European powers actually controlled the Gulf, politically, economically and militarily, from the sixteenth century when the Portuguese arrived until 1971 when the British officially withdrew. European control was only intermittently challenged by indigenous forces. The Safavid ruler Shah Abbas the Great conspired with the British and Dutch to drive the Portuguese from Hormuz in 1622.<sup>15</sup> Although this resulted in naval control by the European allies rather than by the Safavids, the latter at least had a political hand in the affair, and so it is an important episode from the Iranian perspective. The Safavids, however, were soon distracted by events in the north, and under weaker men than Shah Abbas Persian interest in the Gulf quickly waned.

The most complete Persian control of the Gulf came under Nadir Shah, who rose to prominence after the fall of the Safavids. He was a strong military leader, driving out the Afghans who had destroyed the Safavid dynasty and even reaching India, where he seized and brought back the famous Peacock Throne. Turning to the Gulf, he established Persian control "from Basra to the Makran coast of present day Pakistan... recaptured Bahrain, and took part of Oman in 1737."<sup>16</sup> He then began to build a Persian naval presence, establishing Bushire as headquarters and acquiring twenty to thirty ships. The fact that he relied on foreign sailors, mainly Portuguese and Indians, merely demonstrates Iran's lack of a maritime tradition. Building a naval force with no existing, indigenous structure or expertise is a long-term project, and the work ceased with Nadir's death in 1747 before any naval presence could truly be manifested.<sup>17</sup>

However short-lived was Nadir Shah's ascendancy, it was the closest any regional state had come to establishing hegemony over the Gulf. It was also the last attempt at Iranian sea power until the twentieth century. As such it is a significant event and provides historical precedent for current Iranian claims to dominance and also to territorial claims to Bahrain and certain Gulf islands.

After Nadir's assassination, the weak Qajar dynasty showed little inclination to get involved in the Gulf, preferring to grant concessions to foreign political and business interests rather than strengthen Persian sovereignty. It was not until Reza Shah's rise to power in 1920 that another ruler seriously challenged European control of the gulf. Due to Iran's internal problems he concentrated on nation-building, but he did manage to bring the Persian coasts more firmly under Tehran's control. He also established and improved ports and began shipbuilding operations, but these were more for commercial than naval purposes.<sup>18</sup> While Britain lost long-standing influence over tribal rulers who traditionally controlled the coasts, their naval hegemony was by no means threatened by Reza's actions.

Iran made its next bid for Gulf hegemony under Mohammed Reza Shah, who, after 1953, became the most important American strategic ally in the Middle East. Although his primary use to the United States was as a bulwark against the Soviet Union, the Shah also had his own ambitions in the Gulf and even the Indian Ocean. He saw Iran as an emerging world power and constantly compared his regime to the ancient Achaemenid Empire. The British withdrawal, the Nixon Doctrine, a U.S. policy of unlimited weapon sales,<sup>19</sup> and the oil boom combined to give him the opportunity to exercise Iran's military power. Though he did not press claims to Bahrain, the Shah did occupy the strategic islands of Abu Musa and the Greater and Lesser Tunbs only one day prior to the official British pullout. More importantly, he demonstrated regional military might by helping to crush the Dhofar rebellion in Oman in 1975. This near-hegemonic military power and open U.S. backing also helped the Shah secure the favorable Algiers Accord with Iraq regarding the Shatt-al-Arab.<sup>20</sup> Tehran accelerated its military build-up, particularly its air and naval forces, with an eye to controlling Gulf sea lanes and exercising limited power projection into the Indian Ocean.

Construction of a major naval and air base at Chah Bahar, outside the Straits on the Gulf of Oman, is testimony to the Shah's wider aspirations. Possession of one of the world's largest hovercraft fleets, acquisition of F-14 interceptors and planned acquisition of modified Spruance class guided missile destroyers<sup>21</sup> and ex-American diesel submarines could have given Iran significant ability to influence events and effect a measure of sea control in the region. However, the navy's ability to muster enough trained personnel to effectively operate and maintain such complex platforms remains problematical.<sup>22</sup>

The Revolution, the Iran-Iraq War and minor naval skirmishes with U.S forces seriously damaged the Iranian navy and any pretense to regional sea power. However, interest in the Gulf has not abated in the least, and Tehran realizes that it must project some credible naval forces in order for its ambitions to be fulfilled. To this end Iran's well-publicized rearming program includes two Kilo class diesel attack submarines purchased

from Russia.<sup>23</sup> Iran has thus gained the first submarine capability of any Gulf state, a major achievement. While actual operational capability has yet to be assessed and this acquisition may be largely symbolic and political in nature, it is indicative of Iran's determination to secure a legitimate military role for itself in Gulf security.

While Iranian interest in the Gulf has waxed and waned with domestic political strength and stability, it was solidified with the creation of a modern nation-state and the discovery of oil. Unfortunately for Iran, world powers have also been interested in a region it considers its own, and for the same compelling reasons. While Iran has only intermittently established its hegemony in the Gulf (normally when outside powers either supported this or were absent) the persistent Iranian perception is that this waterway is theirs to dominate - or at least that Gulf security should be left to the riparian states. Additionally, this presumption is supported by the geo-political realities and at least some historical fact.

In the issue of Gulf control, we see the double-sided Iranian national character magnified. "Indeed, much of Iran's historical frustration probably stems from the contrast between possessing the dominant state power in the overall region for long periods-compared to a weaker, less-developed Arabian Peninsula-and Iran's historic impotence in actually being able to exert some control over Gulf events..."<sup>24</sup> Facts aside, it is often perceptions that count and the Iranian vision of Gulf predominance is not likely to change in the foreseeable future. From the U.S. perspective, however, Iranian perceptions have rarely become reality and cannot if America retains its dominant position in the Gulf.

In examining Iran's historical interests and relations, several significant trends emerge which must be noted in order to understand Iran's situation and future course of action. Factors of continuity in Iranian history are those of culture, nationalism and religion, while political primacy is a factor of change. It is important to note that the former have survived and shown resiliency even when the nation is under outside control, and it is these forces which provide the strength and consistency of the Iranian nation.

Conversely, the political fortunes of Iran have been more extreme and short-lived, and are often a reaction to a prior situation of foreign domination, either perceived or real. A strong nationalist leader occasionally arises and reasserts Iranian independence, as in the case of Abbas the Great, Nadir Shah, Reza Khan or the Ayatollah Khomeini. However, this reactive situation is inconsistent and must eventually moderate. This is exactly the case with Tehran today, although it is not as clear cut as in the past due to modern power relationships and political systems.

## V. RELATIONS WITH MAJOR POWERS

### A. RUSSIA/SOVIET UNION

As stated earlier, the Russian/Soviet empires have long constituted the primary political-military threat to Iran. Though little cultural or ideological menace, an expansionist, militarized state with growing global power and shared borders could hardly be ignored. During the rule of the weak Qajar dynasty, Russia continually intruded on Persian sovereignty, a condition which culminated in the Anglo-Russian agreement of 1907. Moscow had succeeded not only in controlling the Central Asian and Caucasian regions which Tehran traditionally regarded as its own preserve, but in penetrating the heartland of the Persian plateau as well. Though the Bolshevik Revolution brought a hiatus in this attitude and enabled the conclusion of a treaty favorable to Tehran in 1921, Soviet interest soon was revived. This was typified by the abortive creation of the Republic of Gilan in 1920-21 (albeit prior to the above-mentioned treaty), the Soviet occupation of northern Iran and the ouster of Reza Shah in 1941, and the Soviet-backed Republics of Azerbaijan and Mahabad in 1945-46.<sup>25</sup> As stated by Soviet Ambassador Petrovsky in the inter-war period,

What counts in Persia is North Persia only, and the latter is fully dependent on Russia...This is Russia's strength...<sup>26</sup>

His remarks were made in regard to economic matters, but they adequately demonstrate the situation.

Soviet economic and political interest in the region continued during the last Shah's reign. In spite of the Shah's role as a bulwark against communist expansionism, by the late 1960s there were considerable economic relations between the two countries.

The Soviet Union built one steel plant and a natural gas pipeline; the Shah purchased one billion dollars worth of light arms during the 1967-78 period; and he sold natural gas to the Soviet Union. Despite a prolonged effort by the Shah to serve as the gendarme of the Western interests in the Gulf, the Soviet Union ... did not feel threatened by his role.<sup>27</sup>

Notwithstanding this cooperation, the Soviets were undoubtedly pleased with the collapse of American influence resulting from the Shah's downfall.

Though hoping for better relations with an anti-American regime, the Soviets were disappointed by Khomeini's characterization of them as the "Lesser Satan" and the espousement of the "neither East nor West" policy, which put them roughly in the same category as the United States. Aside from rhetoric, two major events also complicated the Kremlin's relations with Iran. The first was the Soviet invasion of Afghanistan in December, 1979 and the subsequent prolonged occupation of and guerilla warfare in that country. Iran could not help but view this action as a major threat to its security. The second was the Iran-Iraq war. In spite of Moscow's 1972 friendship treaty with Baghdad, which obligated the USSR to supply military equipment to Iraq in event of a conflict, the Soviets at first tried to remain neutral. By late 1982, however, it became apparent that neutrality would not win over the Tehran government and the Kremlin resumed military shipments to Iraq. Still, the Soviets realized that a victory by either side would not be in their best interests, and supplied equipment to Iran through such client states as North Korea, Syria, Libya and Warsaw Pact nations.<sup>28</sup> This balancing policy was similar to that adopted by the United States. This underscores three significant factors: Soviet interest in gaining influence in Iran, the desire to maintain Iran as at least a nominally stable regional actor, and the difficulty inherent in pursuing open relations with the ideologically radical Tehran regime. This, too, proved to mirror the American situation.

The withdrawal of Soviet forces from Afghanistan, the subsequent disintegration of the Soviet Union, and the emergence of independent states between Russia and Iran has drastically changed the balance of relations between Moscow and Tehran, with the latter conceivably having the upper hand for the first time in centuries. Still, the mutual interest and interdependence has not been fundamentally altered. The transfer of weapons and technology for badly needed cash (or oil and natural gas) is an especially troubling aspect of the two countries' relationship. While the future shape of government, economy and society in Russia and the CIS is difficult to predict, current conditions indicate that for the near term the focus of Moscow-Tehran dealings will be primarily economic in nature. However, common strategic interests cannot be ruled out. With sizable Russian minorities, resources and nuclear weapons in this region, Moscow and Tehran have a mutual stake in promoting stability. General disarray in the CIS and Iranian competition with Turkey for influence there may point to future Russian-Iranian cooperation. This is further reason for U.S. strategic interest in and cooperation with Iran.

## B. GREAT BRITAIN

Britain's original interest in Iran was as protection of the lifeline to India, rather than in control of the country itself. With Iran a means rather than an end, Britain was thus less a direct political-military threat to Tehran's sovereignty than was Russia. The British were also less interested in the Persian heartland, with its traditional trade and culture, than in the backwater of the Gulf coasts and southern mountains, which were primarily tribal in nature and only loosely controlled by Tehran. However, London's economic interests began to heighten with the aborted tobacco concession of 1892, and were forever altered with the discovery of oil in Khuzestan in 1908. Though the 1907 Anglo-Russian agreement (prior to the discovery of oil) left Khuzestan out of the British sphere of influence, they controlled tribal loyalties in the province, and the Admiralty quickly moved to make this the

main source of the Royal Navy's oil supply.<sup>29</sup> World War I brought British military forces into Iran, but this was to suppress German intervention among the tribes and support the main effort in Mesopotamia, rather than to control Tehran itself.<sup>30</sup> British military cutbacks after the war and the rise of a strong nationalistic leader in the person of Reza Shah temporarily held London's interests at bay and made Iran "more independent" than it had been in nearly 150 years. Still, as with Russia, British economic power and influence proved pervasive, and Iran's growing dependence on oil revenues forced cooperation to keep production going. Although Reza Shah negotiated an oil concession more favorable to Iran than the original one, British government and business interests were never really damaged.

Strategic concerns arose again with World War II, when the joint Anglo-Soviet occupation of the country in 1941 halted German influence and secured a supply route to assist the hard-pressed Red Army. Military occupation and the ouster of Reza Shah could only be viewed by Iranians as the most blatant disregard for their sovereignty, the Tripartite Treaty (January, 1942) and Allied Declaration (December, 1943), both assuring Iran of its independence, notwithstanding.<sup>31</sup> In spite of the timely withdrawal of British forces after the war, resentment not only continued but was focused by nationalistic politicians on foreign control of the oil industry under the guise of the AIOC. This situation came to a head under Prime Minister Mossadegh in 1951-53, when attempted nationalization of the industry and the resulting boycott strained British-Iranian relations to the breaking point. The ouster of Mossadegh and re-instatement of Mohammed Reza Shah by the army (with strong Anglo-American support: after his re-instatement the Shah told the CIA's Kermit Roosevelt "I owe my throne to God, my people, my army - and to you!" - meaning Britain and the United States<sup>32</sup>) not only marked the beginning of that monarch's personal rule,

but, ironically enough, also marked the end of British predominance in great power involvement in Iran, with the obvious exception of Gulf military security. From this point on, the United States would replace Britain as the major Western power in the nation's affairs.

## C. UNITED STATES

Although there was some American business presence in Iran prior to World War II, United States involvement really began with the occupation of that country in 1941. Though normally considered a British-Soviet operation, American forces were also on the ground, securing and operating the vital supply route to Soviet forces. With the British contraction after the war, United States' involvement deepened, ranging from forcing the Soviet withdrawal in 1946 to the overthrow of Mossadegh in 1953. With the latter event, as stated above, Britain's role in Tehran's affairs was effectively taken over by America.

United States' interests in Iran was driven by two objectives, one strategic and one economic - the containment of Soviet expansion and the flow of oil. To these ends Mohammed Reza Shah was a willing accomplice, and he used fear of the Communist threat and burgeoning oil revenues to consolidate his reign, build his military power and reform Iran's economy and society. This trend reached its peak in the early 1970s, when the British withdrawal from the Gulf and American involvement in and subsequent withdrawal from Vietnam resulted in the Nixon administration's "Twin Pillars" policy for Gulf security, and soaring oil prices enabled the Shah to accelerate his already massive investment in American-made weapon systems. This aspect of the relationship collapsed with the 1979 revolution, and American policy has been trying to recover from the shock ever since.

### 1. Origins of the U.S.-Iranian Alliance

When Mohammed Reza Shah succeeded his father on the Peacock Throne in 1941, he found himself facing the same foreign policy problem that had plagued Iranian rulers for over a century: that of countering intrusive British and Russian influence. The fact that troops of these nations had ousted his father and occupied Iran served to magnify the traditional problem considerably, the Tripartite Treaty of 1942 notwithstanding.<sup>33</sup> Accordingly, he attempted to apply a time-honored diplomatic solution, that of courting a third power to counter the influence of the other two. This is exactly what Reza Shah had done in the inter-war years, but his choice of Germany as a balancer cost him his throne. However, the young Shah had a choice not previously available - the United States.

The U.S. was a relative newcomer to the Middle East, with no imperial aspirations or colonial traditions, and a heritage of supporting independence. In fact, at President Roosevelt's initiative, the Allied leaders issued a communique during the Tehran conference reiterating their "desire for the maintenance of the independence, sovereignty and territorial integrity of Iran."<sup>34</sup> Such factors made America attractive as a protector, and the Shah began to seek U.S. support, primarily economic and military assistance. Shortly after his accession and even before the favorable statement at the Tehran conference, the Shah told the U.S. envoy to Iran that he "would be very happy to be an ally of America."<sup>35</sup> Though the U.S. still considered Iran to be in Britain's sphere of influence, the war had shattered America's isolationism and aid was forthcoming. During the war this included an economic mission under Dr. Arthur Millspaugh and the assignment of Colonel H. Norman Schwarzkopf to organize the Imperial Gendarmerie.<sup>36</sup> However, American involvement was not limited to strictly technical and economic pursuits. When the Soviet delegate, Sergey Kavtaradze, tried to pressure Iran into granting a sweeping oil concession in 1944, the U.S. government plainly stated its position. On November 1, 1944, the American ambassador to Tehran stated that U.S. "policy in this case is based on the American government's recognition of the sovereign right of an independent nation such as Iran, acting in a non-discriminatory manner, to grant or

withhold commercial concessions within its territory.<sup>37</sup> Though the support of sovereign nations certainly was a consideration, it is possible that this position, taken late in the war when Germany was nearly defeated, was the result of growing concerns over Soviet post-war ambitions. If so, such concerns were borne out shortly after the war's end.

Following the war U.S. policy was primarily concerned with containing Soviet expansion and continued support of independent nations. This policy, later to be given expression in the Truman Doctrine, was given its first test by the Soviet's refusal to withdraw their forces from Iran as agreed to in the aforementioned Anglo-Soviet-Iranian Treaty, and by the separatist crises in Azerbaijan and Kurdistan, where the Soviets had set up puppet governments under their influence. Truman's "blunt message to Stalin" threatening use of U.S. forces induced him to withdraw his troops and American support was critical in putting down the two Communist-led republics.<sup>38</sup> There was one other dimension to Soviet dominance of Iran, that of yet another oil concession giving Moscow control of all such resources discovered in northern Iran. Though sources differ on whether Iranian Prime Minister Qavam was pressured into this agreement or he accepted it as part of a broader political strategy which would nullify it after Soviet troop withdrawals, they agree that American support was again critical in thwarting Moscow's ambitions. Little more than a month before the Majlis overwhelmingly rejected the concession U.S. Ambassador Allen stated, "Patriotic Iranians, when considering matters affecting their national interest, may therefore rest assured that the American people will support fully their freedom to make their own choice."<sup>39</sup>

With Soviet incursion checked American policy was effectively in place and there was little other U.S. interest in Iran. In fact, the Shah failed to obtain desired military equipment from the United States and economic aid was only a fraction of that hoped for.<sup>40</sup> Britain and the Soviet Union still dominated the area commercially and militarily. American involvement would have to await another crisis of international proportions. This came with the oil nationalization movement in the early 1950s.

U.S. statements regarding national self-determination were in line with sentiments of the Iranian National Front political movement headed by Dr. Mohammed Mossadegh. Largely a secular, educated, modern-oriented, middle class grouping, it also included traditional bazaaris and clerical elements. While this alliance was united in opposition to the Shah and foreign influence, it was divided on many other issues. Under pressure this fragility became readily apparent.

Though the West tended to see the oil nationalization crisis in terms of economics, to the Iranian Majlis and people it was a continuation of the struggle against foreign domination. Total control of the Anglo-Iranian Oil Company was not merely a matter of gaining a greater share of oil revenues, but one of self-determination and independence. The choice for the Mossadegh government was submission to Britain or independence from it.<sup>41</sup> There were other aspects to the National Front's political agenda as well. These included the idea that the Shah should reign as a constitutional monarch rather than rule absolutely; the implementation of constitutional provisions for a council of religious leaders to approve laws; and subordination of the military to civilian control. Since most of these

were modern, liberal-nationalist ideas consistent with Western democracy, Mossadegh perhaps had every right to expect American support for his government's policies. However, he misread the deeper strategic reasons behind the previous U.S. policy of support for self-determination.

At first the both the Truman and Eisenhower administrations did not try to influence the crisis either way, merely offering to mediate the dispute. As the British economic boycott hurt the Iranian economy and Mossadegh refused to compromise, however, events in Tehran became radicalized. The Shah had been unable to replace Mossadegh due to his popular support, who, sensing his own power, gained control of the military, dissolved the Senate and obtained approval of his rule by decree for six months. Soon the National Front began to dissolve in disunity, with Mossadegh losing support of both the communist Tudeh Party and conservative traditionalists, who wanted him to adopt a harder line. Mossadegh himself was unable to back down from his "moral" stance on nationalization, but he was unable to rectify the deepening economic and political problems brought about by the dispute.

The Eisenhower administration's involvement in finding a solution to the problem was finally engaged early in 1953. It is important to note that it was not Iran's economic troubles, the merit of the Iranian position based on self-determination, nor continued British imperialistic obstinance that brought about Washington's participation, but the fear that growing communist influence would eventually take over the country. This theory was advanced by Mossadegh himself in attempting to gain U.S. support and was echoed by Ambassador Henderson, who "feared that Iran ...was slipping under Russian control."<sup>42</sup> With the admission that Mossadegh was unable to control events the clear choice for the West became not one of Mossadegh or the Shah, but the Shah or a Communist takeover. In other words, the Mossadegh government had to go. This was engineered by British and American intelligence and backed the pro-Shah Iranian military.

Accordingly, the Mossadegh government was overthrown and the Shah was reinstated with full powers as an absolute monarch. Mossadegh lost any hope of American support despite modern nationalistic leanings and the right of self-determination, and due almost exclusively to the fear of a Soviet-backed takeover. Thus support of independence was less important than combatting Soviet expansion in the formulation of American policy. As we shall see, this strategic dimension dominated U.S.-Iran relations for the next quarter century.

## 2. Evolution of the Special Relationship

Following the ouster of Mossadegh in August, 1953 the Shah was free to pursue his relationship with the United States by presenting Iran as a key player in the anti-Soviet alliance. Due to Iran's strategic geographic importance Washington also desired that nation's Western alignment. Accordingly, Tehran joined Turkey, Iraq, Pakistan and Britain in the Baghdad Pact of 1955 (later CENTO). Although the U.S. was not a member, America implicitly backed the organization and participated in several committees, including the military one. Tehran did not feel this was sufficient and continued to press for Washington's full participation. Apparently, the Shah thought that full alliance status was necessary to guarantee Iran's security and give him the military and economic assistance he desired. However, the Eisenhower administration refused to get too deeply involved and the best the Shah could obtain was limited economic and military aid and a bilateral U.S. defense agreement (1959), which was also concluded with other CENTO members under the Eisenhower doctrine.<sup>43</sup>

The Shah never seemed satisfied, either with security guarantees or the amount of aid received from the U.S. During the eleven years of official U.S. involvement in Iran prior to Mossadegh's ouster, Tehran received only \$25 million in loans and \$16 million in grants, though the Shah had requested far more. After the coup the Shah requested \$300 million to assist Iran's shattered economy, but received only \$45 million in emergency aid.

During the remainder of the Eisenhower administration, Washington sent over \$600 million in economic and \$4.5 million in military aid to Tehran.<sup>44</sup> These were substantial amounts for the time and were obviously considered sufficient by the U.S., but were not deemed so by the Shah, particularly the limits on military assistance.

The aid issue reveals two important aspects to the U.S.-Iran relationship. First is the lack of reciprocity or accountability required of Tehran. Although technically U.S. assistance was linked to economic reform and development programs by the Iranian government, the issue was never pushed by the U.S., probably due to the "overall concern with the military dimension of the alliance".<sup>45</sup> As long as Iran stood firm in the vital northern tier against the Soviet Union, positive nation-building steps were not a requirement for aid. The second aspect is the Shah's seemingly insatiable appetite for U.S. military and economic involvement in Iran. Although substantive aid was regularly forthcoming, it never kept up with the Shah's demands. The reality is that the Shah relied more on American assistance than positive political, economic or social reforms to uphold his regime, and he regarded such assistance as key to his longevity. Conversely, Washington realized that despite the important strategic dimension to the relationship, Iran was far more dependent on the U.S. than the reverse, and prudently refused to grant the Shah his exorbitant requests.

While somewhat contradictory, this dimension of United States' policy was actually a fairly healthy balance and reflected the major concern with containment above all else. While not concerned with internal development, the U.S. granted Iran enough aid to keep it politically stable and loyal to the Western camp. Let us see how this dimension of U.S. policy changed over the years.

The basic pattern of American security and economic assistance outlined above underwent three major changes prior to the revolution. Unlike the Eisenhower administration, President Kennedy refused the Shah military aid and insisted on linking economic aid to domestic reforms. During the Shah's April, 1962 visit to Washington,

Kennedy emphasized the necessity of "further acceleration of economic development in Iran".<sup>46</sup> He also believed that the military assistance program had only succeeded in making the Iranian armed forces too large for internal security and too small to resist Soviet invasion. Kennedy's position may have been influential in installing Ali Amini as Prime Minister (1961-62), a reformist disliked by the Shah, and in the "White Revolution" program of social and economic reforms of 1963.<sup>47</sup> This situation was short-lived, however, for after Johnson came to office aid was not only restored but increased. In return, though, the Shah had to accept a status of forces agreement with the U.S.<sup>48</sup> This program was violently opposed by nationalist and religious leaders, and the protests resulted in the arrest and exile of the Ayatollah Khomeini.

Johnson himself instituted the second change, but for different reasons. U.S. economic assistance to Iran was terminated in 1967, partially due to Iran's impressive economic progress, but also because of the increasing financial and political costs of the Vietnam War.<sup>49</sup> At this time, however, the Shah's regime was sustainable without foreign aid. Iran had experienced impressive, if somewhat unbalanced, economic growth and the Shah had thoroughly consolidated political control. Therefore, the U.S. did not relinquish an influential tool in cutting aid. This was the first sign that the "dependence factor" was turning in Iran's favor. The events of the next few years would bear this out. America's deepening troubles in Vietnam, the Arab-Israeli and Indo-Pakistani wars, the British withdrawal from "east of Suez", and increasing Soviet influence in the Middle East and South Asia all combined to make the United States more dependent on Iran's military and political support.

The impact of the international situation on American foreign policy was realized by the Nixon doctrine, which stated that "in cases involving other types (non-nuclear power) of aggression, (the U.S.) shall furnish military and economic assistance" but would expect the threatened nation "to assume the primary responsibility of providing the manpower for its defense."<sup>50</sup> During a stop in Tehran on his return from Moscow in

May, 1972, President Nixon applied the doctrine specifically to Iran. There he agreed to sell America's most sophisticated combat aircraft to the Shah and added that "in the future Iranian requests (for weapons) should not be second-guessed"<sup>51</sup> This decision coincided with the rise in oil prices which had begun, albeit slowly, even before the 1973 embargo. The subsequent explosion in oil prices, along with relatively impressive industrialization and blanket approval for U.S. weapons purchases, gave the Shah the ability to exercise the authority and undertake the sort of military build up he had wanted all along.

Thus, the issue of U.S. arms sales to Iran, and essentially the complete direction of U.S. policy toward that nation, were entrusted to no one's judgment but the Shah's. Far from keeping Iran as a dependent but willing ally, this twist of policy made the United States dependent on Iran for the security and stability of the entire region. Perhaps this is best expressed by Nixon's own statement to the Shah at their 1972 meeting in Tehran - "Protect me."<sup>52</sup>

As Tehran's military inventory and industrial technology grew, so did its dependence on Western - primarily American - workers and advisors. The burgeoning influence of Western, secular culture, rapid modernization and urbanization incorporating Western values, and the fact that the Shah was installed and supported by America and Britain led to a tremendous loss of regime legitimacy in the eyes of the Iranian people. The almost total divorce of the ruling elite from any kind of traditional value system and the pervasiveness of Western society was seen as a much greater danger to Persian culture and Islamic values, than any overt political-military threat such as the Soviet Union. Thus, America was viewed as an intruder on Iranian sovereignty and a great contributor to Iran's domestic ills. Although internationally Tehran's strength was at a high point - a veritable "island of stability" in the troubled Middle East<sup>53</sup> - the corruption, repression and illegitimacy of the regime coupled with a sense of pervasive American control served to heighten the "inferior, xenophobic" side of Iranian national character. Whether justifiable or not, the United States became a perfect target for the extreme anti-foreign rhetoric of

the revolutionary opposition. Though the Twin Pillars security structure served American interests well at the time, the structure collapsed in less than a decade, as the Shah was not able to ensure even Iran's own internal stability. America's short-sighted over-reliance on an absolute monarch and lack of regard for the development of the Iranian nation as a whole gradually became institutionalized during the quarter-century of the U.S.-Iran relationship. This outlook found its ultimate manifestation in Nixon's "blank check" to the Shah, and would prove to be one of the greatest challenges for U.S. policy-makers to overcome in understanding and dealing with the revolutionary forces. The events of 1978-1979 thus brought to an end nearly forty years of U.S.-Iranian alliance and unchallenged American domination of the region. It is this drastic change that American foreign policy has unsuccessfully grappled with ever since.

### **3. America and the Islamic Republic**

The United States was set inexorably at odds with Iran by the traumatic events of 1978-79. The sudden loss of the one of the "twin pillars" and the attendant American strategic presence there, the international humiliation of the prolonged hostage crisis and the anti-American fervor of the revolutionary regime were shocking and inexplicable to both American policy-makers and the population at large. Coupled with the Soviet invasion of Afghanistan, these events marked a major U.S. policy failure and loss of prestige. While American interests in the region were affirmed by the Carter Doctrine, the Reagan Corollary and the formation of the Rapid Deployment Joint Task Force, implementation of these steps was not immediate and manifestations of recovery were slow. Two major events have marked America's turbulent relations with Iran since the revolution - the Hostage Crisis and the Iran-Iraq War.

### *a. The Hostage Crisis*

The course of United States-Iran relations has been inexorably shaped by the U.S. embassy hostage crisis.<sup>54</sup> After the tumult of the revolution the United States did not abandon its interests in or relations with Iran. While it was obvious that Tehran no longer intended to play the role of an American client in the region, and although anti-American sentiment ran high in much of Iran, there had been no move by either state to break diplomatic or commercial relations. As revolutionary tension eased somewhat relations returned to a relatively normal condition.

This changed dramatically with the capture of the American Embassy on November 4, 1979 by a group of militant university students. Though the motives of various political groupings involved in this episode are not entirely clear, it is clear that the clerical regime headed by Khomeini exploited the situation for their own domestic political ends. It was well understood by both the Carter administration and different factions in Tehran that the hostage taking was used to polarize the positions of both the United States and Iran and enable Khomeini to consolidate his hold on power and put the structure of an Islamic government in place.

While the hostage crisis was manipulated effectively to serve Khomeini's purposes, it has placed a major stumbling block between the two nations. Americans will not soon forget the humiliation of having U.S. citizens held against their will and being incapable of attaining their release. Similarly, Iranians have paid a high price since then for the international isolation placed on their country, much of it in response to and remembrance of their blatant flouting of international norms of behavior. While this is well understood, it must be realized that there was far more damage done to American strategic interests by the revolution and the attendant collapse of the Iranian-backed security system in the Gulf than by the hostage crisis itself. It should also be noted that, in spite of the profound international humiliation experienced by the U.S., all Americans were released alive and in good health. Conversely, many American lives have been lost in other, less

well-remembered events, such as the sinking of the USS Liberty, the attack on the USS Stark and the bombing of the Marine barracks in Beirut. Yet the intractability and length of the hostage's ordeal and the unprecedented media coverage it received have made it a major obstacle to anything approaching open relations since then.

*b. The Iran-Iraq War*

Of vastly greater importance to Gulf security and America's interests was the eight year Iran-Iraq War, which began only twenty months after the Shah's ouster. At the time of the Iraqi invasion, the revolutionary government was still preoccupied with domestic problems, including economic trouble, consolidation of power and armed rebellion, so that any comprehensive foreign policy had yet to be formed. However, personal animosity between Khomeini and Hussein only served to heighten perennial border disputes, ideological differences and ethnic hatreds, and hasten the slide to war. Racked with internal dissent and without the superpower backing enjoyed by the Shah, Iran must have seemed an easy target for the militarized Baathist regime. Inexorably distanced by Tehran's radical stance, many Western and conservative Arab states quickly, if not openly, lined up behind Baghdad's offensive. A major shift in the regional balance of power took place as once radical Iraq looked safe and stable compared to Khomeini, the urban street mobs and the Revolutionary Guards.

The United States tried to remain neutral regarding the conflict at first. As did the Soviets, however, the U.S. soon realized that a decisive victory by either warring state would be detrimental and sought to balance the two out, supporting Iraq with intelligence and financial aid, while secretly supplying Iran with arms. (Additionally, Israel also supplied Tehran with military equipment and parts, either with or without Washington's approval.<sup>55</sup>) Beginning in late 1983, after notification of Iraq's economic troubles, Washington tilted increasingly toward Baghdad, normalizing relations in 1984.<sup>56</sup> After the disclosure of the Iran-Contra arms dealings, the U.S. tilt toward Iraq was more open and increasingly pronounced, as evidenced by Washington's delicate handling of the Iraqi attack

on the USS Stark, the Kuwaiti tanker re-flagging, escort, and minesweeping operations, and several small skirmishes with Iranian naval forces and the destruction of Iranian oil platforms. Additionally, this naval involvement showed Tehran that it could not hope to win the "tanker war" and continue economically in the face of Iraqi offensives on the ground. This pressure contributed greatly to Tehran's acceptance of a cease fire based on UN Resolution 598. While American military involvement was necessary to safeguard Arab allies, and guarantee the flow of oil and safe navigation of the Gulf, these actions served to further increase the gap between Washington and Tehran.

*c. Post-War Relations 1988-1990*

The cease fire agreement of August, 1988 and non-implementation of Resolution 598 left Iran greatly weakened. Iraqi troops remained on Iranian soil and Iranian power in the Gulf had been displaced by the U.S. Navy. Furthermore, the decreasing Soviet threat put Iran in a seemingly unimportant position strategically. Thus, the United States continued its support of Saddam Hussein and the GCC. "The Western position toward Iran in this period was that Iran had nowhere else to go and that if the West stood firm, Iran would accept all its conditions and normalize ties on Western terms."<sup>57</sup> Indeed, Iran also saw things this way. They badly needed Western capital and technical assistance to rebuild the war-damaged nation. Tehran began to pursue a policy of opening to the West. However, the West saw no need to help Iran due to improving East-West relations and viewed the Arab side of the Gulf as more important. Additionally, radical elements in Iran undermined the more moderate factions through rhetoric and terror tactics, thus ensuring a negative response by the West. Finally, in early 1989, the Rushdie affair, in which Khomeini issued a fatwa condemning the author to death as an apostate, thoroughly alienated the West, especially Britain.<sup>58</sup> Despite some opportunities for an opening of relations, the situation remained a standoff until the Iraqi invasion of Kuwait.

As can be seen from the events related above, Khomeini's rigid ideological stance of "neither East or West" and radical "Islamic" expansionism, albeit with limited resources for the most part, alienated the United States, increasingly isolated Iran from the international community and at least contributed to the country's involvement in a devastating eight year long war, much to its detriment.

Similarly, the inability of Washington to deal effectively with the many crises of the decade and the increasingly close relationship forged with the GCC states highlight U.S. differences with the radical Tehran government and the need for a comprehensive strategy based on real, mutual interests rather than ideological conflict.

In examining the relations of Iran with the great powers, some pertinent facts become clear. First, however important economic interests were to Russia, Britain and the United States, larger strategic concerns have always headed the list of interests regarding Iran. Although strategic and economic concerns are more closely interwoven today, strategic interests still predominate. Second, Iran has not itself been the prize of the great powers, but simply a means to an end, whether that was access to warm water ports, protection of imperial communications, or a barrier to Soviet expansion and pillar of Gulf security. This was especially true of Britain and the U.S. with their maritime view of international relations. Similarly, current U.S. interests should not focus merely on defense of the oil reserves or on political conflict with Tehran, but on the important role which Iran can play in promoting the stability of the region. Finally, though long the most powerful regional state with legitimate and even hegemonic aims of its own, Iran has been able to accomplish little in the face of great power involvement. As long as American military power remains dominant and the U.S. pursues its broader strategic interests in Southwest Asia, Iran should not be viewed as simply a threat to dealt with.

## VI. REVOLUTIONARY IRAN

### A. CHALLENGE IN THE GULF

The 1979 Iranian Revolution was a watershed event in Middle East history and world affairs in general. Of course there had been previous "revolutions" in the Muslim world, but these mainly took the form of military coups d'état or other cases of elite groups seizing the center of power. The Iranian case is one of the few instances of a successful, broad-based popular revolution which attempted to thoroughly transform society. More significantly, it marked the formation of an Islamic government and a theocratic state, one which arose through violent means and espoused a radical ideology. As such, it posed a very real threat to the rest of the Muslim world and the West.

Ayatollah Ruhollah Khomeini, as the personification of the new regime's character, did not confine his extreme ideological stance to domestic issues, but carried them into the foreign policy arena as well. His hostile, anti-foreign - and especially anti-American - rhetoric, though couched in Islamic terms, had deep nationalistic roots. While the general foreign policy goal of unchallenged Iranian dominance was basically the same, Khomeini's international dealings were much more confrontational than the Shah's. If anything, revolutionary Iran was even more expansionist than that of the "imperial" Pahlavis. Thus, the Islamic revolution changed the nature of the objectives and the methods employed, but not the objectives themselves.

In order to understand the future direction of Iran and its relations with the United States under the Islamic Republic, there must be an understanding of several factors. Key ones discussed below are the ruling ideology, military role and capabilities, the state of the economy and the political situation, both domestically and internationally.

## B. ISLAM AS IDEOLOGY

### 1. Shiism and Government in Iran

Since a major factor in Gulf security is the existence of a theocracy based on a radical interpretation of Islam and the confrontational rhetoric which that regime espouses, it is necessary to thoroughly understand this ideology and its role in the Iranian system of government. Only with a working knowledge of this system can we assess its prospects for survival, stability, or moderation.

There are "five critical political factors which have...left their impact on Iranian politics...the monarchy, oil, foreign powers, ideologies, and Islam."<sup>59</sup> While Hussein correctly separates the religion of Islam from secular ideologies, the ideology of the Iranian revolution was based on Shia Islam. It is this transformation of religion into a powerful political force and the emergence of religious leaders into political actors that form the central theme of the revolution. In order to understand the current Tehran government it is first necessary to understand how Twelver Shiism is used in Iranian politics.

Shiites are traditionally seen as a suppressed yet militant sect, much more radical than the more numerous Sunnis. In reality, however, it has been a passive religion which purposely avoided involvement in politics. This is primarily due to the belief in the hidden twelfth Imam. In the Imamate concept

all sovereignty ... was vested in God. In other words...the Imam merely ruled on behalf of God. Power was not concentrated in the hands of men to rule as they pleased. The people could judge the ruler according to the standards prescribed in the Koran.<sup>60</sup>

Since no Imam except Ali ever gained political power, they became primarily religious leaders with an unrealized political role, a tradition which they passed on to their followers.

Both activist and quietist attitudes to prevailing authority could be deduced from the Imami belief, but it is clear that the latter came gradually to dominate the mainstream of Shiism...Insofar as any attitude to the state and authority can be deduced from the teachings of the Imams, it is one that combines a denial of legitimacy with a quietistic patience and abstention from action.<sup>61</sup>

In the absence of any present Imam the Shia community looked to the religious jurists (*mujtahids*) for guidance. Traditionally the clergy's role remained religious and non-political, often implementing the principle of dissimulation (*taqiyah*) to avoid danger to themselves or the community. This principle of submissiveness, combined with the doctrines and teachings of the Imams,

intensified the essentially quietist position of Imami Shiism with regard to worldly authority...the [doctrines of occultation] can be regarded as justifying a de facto acceptance of the existing regime. Those who believe in the hidden Imam are not required to do anything in the immediate future, not even to work for any particular reform. At the same time it is implied that the regime is not perfect, and the way is left open for action at some future date...A change of circumstances might suggest to the adherents of the movement that the time for action had come.<sup>62</sup>

In spite of this quiescent attitude, the ulama occasionally exercised their influence to oppose social injustice and uphold the precepts of the Koran. As we shall see, this activist tendency of a minority of the clergy came to the fore during the revolution.

Shah Ismail, founder of the Safavid dynasty, declared Shiism the official state religion and

gave birth to something like an official clergy, exclusively concerned with legality and jurisprudence, to such a point that original Shiism (had) to hide itself. The body of ulama that emerged in Safavid times came in effect to partake of the charisma and authority of the Imams, but as Shiism denies legitimate authority to worldly power, so too, no authority in the strict sense of the term resided in the ulama.<sup>63</sup>

Even so, the power granted Shiism in the Safavid state could work against the monarchy by politicizing the clergy. In fact, since Shiism by definition does not recognize legitimate rule by man, the establishment of it as a state religion necessitates a continual conflict between clergy and state, thus causing the Safavid and later Iranian dynasties to be plagued by "the necessary and inescapable illegitimacy of the state."<sup>64</sup>

## 2. Politicization of the Ulama

Both political and religious developments during the Qajar period favored increased political activism by the clergy. Unlike the Safavids, the Qajars did not co-opt the religious element and so left a relatively powerful clergy independent of the state. Additionally, the clergy was split on religious issues. The Usuli school of thought, which held that a mujtahid could exercise interpretation (*ijtihad*) in the absence of the Imam, became dominant over the Akbari school, which rejected *ijtihad*. The Usulis believed that the Muslim community was divided into mujtahids and those unlearned in religious law (*muqallids*), and that the latter must follow the former,

for the former's whole life had passed in the comprehension of Islamic law and his *ijtihad* was therefore valid. Since *muqallids* do not have the necessary power of comprehension of the law and independent reasoning to attain that state, they must of necessity follow the guidance of one who is (a mujtahid).<sup>65</sup>

Since *ijtihad* was matter of interpretation and reasoning, and the result was merely personal opinion, no mujtahid was viewed as infallible.

Thus, to accept the pronouncements of any one mujtahid is not...obligatory, for the mujtahid may claim no infallibility and mujtahids will vary in their opinions and rulings. What is obligatory is the principle of following the direction of a certain mujtahid in order to ensure some continuity of authority.<sup>66</sup>

Here is illustrated the principle of emulation (*taqlid*) and the basis for the position of Marja e Taqlid, those clerics recognized as the leading Shi'ite jurists and scholars. Such thoughts as these opened the door to politicization of the clergy and legitimized their leadership of the masses vice that of the secular rulers.

By the late nineteenth century, then, both the political and religious landscapes were set for activation of the clergy. This occurred most notably during the Tobacco Protest of 1892 and the Constitutional Revolution of 1905-1909. Important results of these episodes were that the ulama proved capable of challenging the government, they received the unqualified support of the masses, and they solidified their links to the bazaaris and other

influential elements of traditional society. It was also significant that the clergy did not lead the opposition alone, but cooperated with secular liberal-nationalist elites. This coalition would surface again during the Mossadegh era and it was these actions which laid the basis for the revolution of 1978-79.

### 3. Khomeini's Ideology

One of the clerics who became heir to the traditions of social protest was Ayatollah Ruhollah Khomeini, the man who would emerge as the ideological leader of the revolution and undisputed master of the post-revolutionary regime. The son and grandson of religious scholars, he became a student and then a teacher in the centers of Shi'ite learning in the holy city of Qom. His early development as a scholar coincided with Reza Khan's rise to power and his subsequent and often brutal suppression of the Ulama.

These events left a deep and lasting mark on Khomeini. His speeches and declarations in the 1960s and 1970s are sprinkled with references to the humiliation suffered by the ulama and the willful denigration to which Islam was subjected under Reza Shah. This partly explains Khomeini's sensitivity and opposition to ...Mohammed Reza Shah.<sup>67</sup> According to Ayatollah Mohammed-Javad Bahonar, a student and later colleague, even as a young teacher,

he interpreted Islam as a commitment to social and political causes...the two issues he emphasized were the necessity for Islam and Iran to be independent of both Eastern and Western colonialism and the need to get the clerics out of the mold of an academic straight jacket.<sup>68</sup>

It is apparent from this that Khomeini was inclined early in his career to a radical stance. During this period the main focus of his lectures was ethics, and his preaching began to draw large crowds, particularly from the seminary students of Qom. This drew the attention of the government and the seminary (*madrassa*) at which he taught was closed.

Though he continued writing and lecturing in this vein, his actions remained apolitical through the protests of the 1940s and 1950s. This was probably due to the influence of the leading Marja e Taqlid, Ayatollah Borujerdi, who prevented the ulama from taking part in politics. Only after Borujerdi's death in 1961 did Khomeini transform his thoughts into action, becoming a leader of the opposition to the Shah's "White Revolution" reform program in 1963. He saw the reforms - ranging from land distribution and educational programs to granting women the right to vote - as a threat to the ulama and Islam. Khomeini denounced the reforms repeatedly and anti-government feelings ran high in major cities. After an attack by the army on his Faiziyeh madrassa in Qom he preached against the government, saying "love of the Shah means...violation of the rights of Muslims and violation of the commandments of Islam."<sup>69</sup> Matters reached a head in June, 1963, the month of Moharram. Khomeini delivered a sermon on Ashura in which he directly attacked the Shah, one which raised anti-government sentiment in many cities and for which he was quickly arrested and imprisoned. Later released, he was arrested again the following year for protesting the status of forces agreements with the United States, and later exiled.

Most of his fifteen years in exile was spent in Najaf, Iraq. It was here, through sermons, writings and declarations, that he developed his revolutionary ideology. This culminated in "Islamic Government"<sup>70</sup>, a series of lectures and writings on the establishment of an Islamic state. In it he continually attacked the Jews, Zionism, colonialism, secularism, the West, the East, and of course the Shah, entities for which he blamed the troubles of Islam and Iran. He upheld Islam as a political religion which could not be separated from the running of state and society, and which held the cure to all of society's ills. He denigrated the traditions which had made Islam a passive religion that stayed out of politics. He argued that Islamic law was not harsh but just. He legitimized the need for an Islamically-based government and the method of its establishment, and

exhorted the people to revolution. Most significantly, and most radically, he put forth the concept of "velayat e faqih", the governance of the jurisprudent, which stated that Islam required a just guide to implement its laws and to watch over society so that it did not become corrupt.

Some of the more salient points of "Islamic Government" are excerpted below.

Is there monarchy, hereditary rule, or succession to the throne in Islam? How can this happen when the monarchic rule is in conflict with Islamic rule and with the Islamic political system. p. 9.

In truth social laws and regulations require an executor. This is why Islam decided to establish an executive authority side by side with the legislative authority and appointed a person in charge to implement, in addition to teaching, educating and explaining. p. 18.

...rebel against and fight the rule of false gods... We have no alternative but to work to destroy the corrupt and corrupting systems and to destroy the symbol of treason and the unjust among the rulers of the peoples. This is a duty that all Muslims wherever they may be are entrusted - a duty to create a victorious and triumphant Islamic political revolution. p. 26.

The Islamic government...is not a despotic government in which the head of state dictates his opinion and tampers with the lives and property of the people. It is constitutional in the sense that those in charge of affairs observe the dictates and laws of Islam. p. 31.

If a knowledgeable and just jurisprudent undertakes the task of forming the government, then he will run the social affairs that the prophet used to run and it is a duty of the people to listen to him and obey him. p. 37.

With these ideas Khomeini put forth his concept of an Islamic theocracy. This document contained everything needed for a successful revolutionary ideology. It identified those responsible for Iran's present condition, held forth an alternative model for success, linked this model to society and laid out the method of implementing it. Khomeini goes to great lengths to justify not only the need for a state based solely on Islam, but also for the need for an executor to administer this system. He has no qualms about expressing his opinion on who is qualified to lead the Muslim community and why the "just jurisprudent" must be obeyed.

Khomeini's work is filled with contradictions. Since Islam is the "right path" which provides happiness in all aspects of life, all Muslims willingly follow the Sharia without question or straying. Yet they are also incapable of avoiding corruption and self-indulgence, so that there must be a guide appointed over them as a guardian over orphans. He rails against the corrupt practices of hypocritical leaders intent on exploitation and personal gain, against the constitutional systems which make leaders answerable to the people. Yet he seeks realization of a government in which one man is answerable only to God. Seemingly, the qualifications required of the *faqih* would make him incorruptible in the face of the pressures of possessing absolute power over an entire nation. Finally the premise of the *velayat e faqih* was a radical departure from traditional Shiism and a contradiction of the basis of the Shiite faith itself.

Khomeini's political position is not just a restatement of any past important line of thought in shiism...before 1905 no ulama argued for constitutions and before Khomeini, whatever the claims of some ulama to greater legitimacy than kings, none argued that kings should not exist and ulama should rule Iran directly.<sup>71</sup>

Antoun continues,

...we must conclude that there has been considerable change in (Shia) religious ideology from a belief in the non-necessity of following the consensus of mujtahids to the belief that one must follow them in law to the belief that has evolved in our own time that they should be followed in government.<sup>72</sup>

While extreme from a religious perspective, especially in regard to Shiism's traditions of *taqiyah* and *taqlid*, the *velayat e faqih* can be seen as a logical offshoot of this faith, albeit one for purely political purposes. The Usuli concept of the division of humanity into mujtahid and muqallid, and the necessity for the latter to follow the dictates of the former, was transformed from the religious to the political realm and brought to its logical, but radical conclusion. Khomeini "presupposes the transformation of Shiism from a religio-political tradition into a revolutionary ideology" which "advocates, in fact, a radical departure from Shii tradition under the guise radical traditionalism."<sup>73</sup>

Though there were other leading ideologues with their own interpretations of Islam as it related to modern Iran and opposition to the Pahlavi regime, none attained the dominant position of Khomeini. His brand of Islam appealed particularly to the religiously inclined masses and seminary students. Though a scholar, his education was strictly traditional and his works were in a populist vein which appealed to the common man. While in exile, he maintained contacts to Iranian clergy and society and was much more "in touch" than the societally rootless Pahlavis. Communicated through a network of ulama and religious associations to the mosques and schools, his sermons and writings reached a vast number of Iranians. They hammered at the same themes over and over until they were legitimized by sheer repetition. As social, economic and political conditions polarized the population during the 1970s his ideology became increasingly pertinent. In search of a leader, the Islamically-minded masses rejected the secular elites, leftist extremists and apolitical clergy and turned to Khomeini as the most constant voice of opposition who held out what they perceived as a real solution to their problems. It was his appeal to the mass urban poor which formed the broad base of Khomeini's strength during the revolution and the factional power struggles which followed.

#### 4. Implementation of Ideology: Successes and Failures

Tehran's two major ideological successes since the revolution have been the Islamicization of the military and the institutionalization of the Revolutionary Guards (*Pasdaran-e Engelab*). In a notably pragmatic move, the initial purges of the Imperial Iranian Armed Forces only targeted top officers who supported the Shah. Later, however, the purges were aimed at "ideological purification of military personnel at all levels."<sup>74</sup> Although this was primarily due to the failed U.S. hostage rescue attempt, abortive military coups and a desire to eliminate class barriers between officers and enlisted men, it was also due to the radical views of Defense Minister Mustafa Chamran. These purges were done

under the banner of Islamicization and the constitution, which calls for a doctrinaire military. "In creating our defense forces, religious faith and adherence to religious doctrines should be the principal criteria for recruitment of personnel in the military."<sup>75</sup>

Along with the purification of the military, the Pasdaran had been institutionalized as the "eyes and ears of the revolution."<sup>76</sup> Elevated to a ministerial position and numbering 250,000 by 1988,<sup>77</sup> their duties range from internal police and security functions to external defense. As such, they have become a coercive and stabilizing arm of the regime and a major manifestation of the importance of ideology in continuing the revolution.

Working with the Pasdaran is the Mobilization of the Oppressed (*Basij-e Mustazafin*). The teenage members of this militia "are volunteers ...from families with deep religious sentiments and unmitigated supported for the Islamic Republic."<sup>78</sup> This organization not only mobilizes a large part of the poorer population against an external threat, but has the added political advantage of cementing the religious sentiments of the masses to the Islamic regime.

The major ideological dimension of the Islamic indoctrination of the military is the solidification of morale. Despite the loss of senior leadership and lack of outside support, the upsurge of morale and unity of purpose of the post-revolutionary Iranian military proved to be the difference on the battlefield against Iraq's technologically superior forces. "...the central issue is the willingness of the troops to fight, their belief in their cause and their confidence in their officers."<sup>79</sup>

If ideological changes in the armed forces were largely successful, the contradiction can be found in domestic policies. Like Islamic government, Islamic economics was supposed to be a third way, neither East nor West, neither capitalism nor communism, based on the precepts of the Koran. Yet ideological principles did not translate well into real-world practice. For instance, under the Shah religious taxes were voluntary in nature. In the Islamic Republic, however, religious taxes were to be the sole source of government

revenue. When these did not prove sufficient, secular taxes were imposed also, thus creating an unpopular dual tax burden. Yet "taxation is the right of the Islamic government" which should "make the payments of taxes an Islamic duty for the people."<sup>80</sup>

Though much personal property and real estate was confiscated during the early days of the revolution, re-distribution of wealth since then has stagnated. Land reform bills passed by the Majlis have been repeatedly canceled by the more traditional Council of Guardians, the clerical group charged with defending the constitution and vetoing non-Islamic laws.<sup>81</sup> Though partially due to philosophical beliefs, there are also political reasons for this stance. The ulama are traditionally one of the largest landholding groups in Iran, and they draw their political and financial support from these holdings and from the mass poor. Thus "any radical measures which would result in the elimination of this process (extraction and distribution of religious taxes), either by eradicating poverty or by the state taking over taxation and welfare provisions, would in fact erode the most vital links between the religious establishment and its support base."<sup>82</sup> Doctrinal differences on personal property and political factionalism similarly blocked any concerted economic development programs.

A final ideological failure was the denigration of Iranian nationalism. Since the Pahlavi dynasty had placed monarchy and nation above all else and ignored any identification with Islam, the revolutionary government did just the opposite. Everything was expressed in terms of Islam and the Muslim world, with little mention of the Iranian nation or Iran's national interests. This was true not only in the domestic arena but was particularly apparent in such foreign policy initiatives as the export of revolution. Attacks on Iranian nationalism and foreign policies which were not in Iran's national interests hurt the country greatly through the 1980s by alienating it from the rest of the world.

However, this could not last. Restive ethnic minorities and the Iraqi invasion in 1980 forced the government to return to support of Iranian nationalism. The strength of this nationalism was illustrated by the actions of most of the population in support of the war effort, particularly the Arabs of Khuzistan. Although not on the same level with Islam, nationalism was also greatly responsible for an effective war effort and is alive and well today. The revolutionary regime found that it was no more possible to separate a people with such a long and proud history and culture from their nationalism than it was to separate them from their religion. In this the Islamic Republic was as mistaken as were the Pahlavi monarchs.

The inability to create a comprehensive development plan, failure of Islamic taxes to provide sufficient revenue and the refusal to implement meaningful land reform have effectively broken the promises of the pre-revolutionary rhetoric to care for the poor and oppressed. Additionally, the denigration of Iranian nationalism alienated many supporters and cost the government much needed legitimacy and military effectiveness in the early days of the revolution and the war with Iraq. More importantly, these failures illustrate the contradictions inherent in the ideological framework of an Islamic state.

## 5. Political Contradictions

As detailed above, the greatest contradiction of Iran's political system is the very existence of a Shiite theocracy. Since by definition Shiism does not recognize the rule of man as legitimate, the establishment of Shiite Islam as not merely a state religion but a governing ideology is itself contradictory and illogical. A system wherein the clergy exercise secular authority makes religion inseparable from the state. This factor alone mitigates the position of the clergy who put the system into effect. Traditionally,

the Shia establishment has exerted tremendous political influence without incurring any responsibility or blame, while maintaining its position as the guardian of religious purity...But being in charge of running the government, the clergy cannot escape popular blame for its deficiencies. Moreover, government failure undermines popular belief in the religious principles used...as the basis and justification for its policies, thus weakening the hold of religion in the society and by extension the clergy's influence.<sup>83</sup>

Thus it can be seen that if the Shiite sect in particular practices interpretation and that the interpretations of any credible religious scholar are valid, Khomeini's own radical interpretations of Islam are not necessarily universally accepted. This is in fact the case. It is due to this factor more than any other that the Islamic government stands to lose legitimacy with its own people and must seek modification and eventually moderation.

A second, related contradiction is also significant. This is the concept of velayat-e faqih. Obviously, for an individual to be a nation's supreme religious leader and its political ruler, such an individual would have to possess unique qualities and credentials of both political and religious leadership. Although Khomeini possessed sufficient religious credentials to be a source of emulation, he became Iran's political ruler not for this reason but because of his leadership of the revolution. The concept of velayat-e faqih was instituted in the 1979 constitution to provide a legal basis for Khomeini's undisputed rule.<sup>84</sup> However, the requirement that the faqih be a source of emulation (*Marja-e Taqlid*) presented problems for choosing a successor to Khomeini. Due to the non-systematic method of a mujtahid becoming a *Marja* and the necessity of choosing a successor with both spiritual credentials and political abilities, changes in the constitution had to be made. The result was the deletion of the "emulation requirement" so that a politically able and acceptable successor could be named. This action

separated the functions of leadership from being a source of emulation...the constitutional amendment stripped the office of the supreme religious leader and the selection process of religious consideration and made it even more of a political office than it was before.<sup>85</sup>

This is a key example of the revolutionary government's willingness to moderate its radical ideological stance in the face of political realities.

After consolidating all power in the hands of the radical ulama and their revolutionary institutions, crushing any opposition and re-molding Iranian society, the government of Iran has gradually had to moderate its stance and deal with the realities of a world of nation-states. This has not been done completely, however, because of the need to continue ideological symbolism in order to legitimize the post-revolutionary regime. The government was unable to reconcile the orthodox clergy, and had to change economic policies to keep from alienating one of their most important support elements, the traditional merchant class. The extremist Islam which fired the revolution was unable not only to find a consensus in the Muslim world, but also to forge an enduring unity of the Iranian people. Consequently, it will have to bow to even more constant and enduring factors, Iranian culture and nationalism.

The continuing political conflicts and contradictory policies of Iran highlight the difficulties which the Islamic ideology has in governing. It was, however, essential to a successful revolution. As the only available cross-class ideology, a politicized Shiism was necessary to unite opposition elements and provide the belief system which mobilized the population against the Shah. However, once in power, the ideology has proven hollow. Whatever their original intent, Khomeini and his circle of radical clergy did what was necessary to consolidate their power and impose their particular brand of Islam on the nation. The only ideological successes have come in relation to armed conflict, for it takes

more than political realities and material considerations to induce men to die. Aside from this, it could not unite the nation politically or deal with economic problems. Though Shiism is nearly universal in Iran, it is neither hegemonic nor monolithic.

Thus, the adaptation of hegemonic Islam as the new state's ideology...resulted unavoidably in inter-class and intra-class struggles. These initially intense conflicts have become more moderate over time as hegemonic Islam has eliminated many rivals and allowed for a more liberal and pragmatic interpretation of its tenets.<sup>86</sup>

The contradictions of the Islamic state are the same ones inherent in Shiism itself, but their impacts are magnified when religion controls the government. The populist, egalitarian rhetoric of the revolution succumbed to class distinction and political realities, with the radical ulama on top. In vesting all power in one man, answerable only to God, the Iranian people merely traded one despot for another. Similarly, though the ideological symbolism stayed the same, its substance changed from one of freedom and equality to one of conflict and oppression. While Khomeini's Islam was both essential and successful in revolt, it has proven too extreme, contradictory and unrealistic to be successful in governing. These problems and contradictions are the underlying reasons which will force the Tehran government to moderate both its domestic and foreign policies.

### C. ARMED FORCES OF THE ISLAMIC REPUBLIC

Since a nation's armed forces are both the ultimate political tool of that nation and a primary factor in its political fortunes, it is logical to assume that the history of these forces mirrors that of the nation itself. Such is the case with Iran. The strength of its military has both contributed to and resulted from Iran's existing political situation, whether that was the triumphs of the Achaemenid dynasty and Nadir Shah or the humiliation of conquest by Mongols or Russians. However, certain periods of Persian ascendancy have not depended

on military might, such as the dominance of Persian culture and government under the Abbasid caliphs or the overthrow of Mohammed Reza Shah. In fact, since the decline of the Safavid Empire military force has rarely been the major factor in the Persian state. Even when the army has been predominant under a strong ruler, its power has proven to be short-lived and deceptively fragile. Thus, the dual nature of Iran is also reflected in its military history. While the Iranian military is extremely important both from a historical perspective and as a part of the modern nation-state, unlike in other Middle East nations it is not the dominant actor as either a pillar of the government or as a foreign policy tool.

## 1. The Imperial Iranian Armed Forces

One and one-half centuries after Nadir Shah's conquests, the corrupt Qajar dynasty had effectively sold Persian sovereignty to outside powers. This included the army. The only effective military units in the country were those established and trained by foreigners. These were the Russian-controlled Persian Cossack Brigade, the British-run South Persia Rifles, and the Swedish-officered Gendarmerie. In the political turmoil following World War I and the Russian Revolution (which caused withdrawal of Russian forces from Persia), Reza Khan became commander of the Cossack Brigade and in 1921 took over the government in a military coup. Consolidating his power by 1925, he determined to make Iran a modern, unified and independent nation. An important part of this plan, as well as the base of his own political power, lay in a strong, well-trained and modern army. To this end he had Iranian officers trained in European military academies, instituted universal conscription and allocated 30-50% of the annual national budget to military expenditures.<sup>87</sup> By the advent of World War II the Iranian Army totalled 125,000 troops<sup>88</sup> and was the pillar of the regime, securing the new Pahlavi dynasty against both external aggression and internal dissension.

Though ostensibly not its primary purpose, internal security was what Reza Shah's army did best. It had virtually no experience in actual warfighting and collapsed when faced with its first serious external challenge. Despite its size and apparently modern

equipment and training, the Iranian Army was easily defeated by occupying British and Soviet forces in 1941. Though faced with a vastly different sort of opposition, Mohammed Reza Shah's military would similarly be exposed as a paper tiger by the revolution.

Though replacing his father on the Peacock Throne after his abdication in 1941, it took Mohammed Reza Shah more than a decade to consolidate his power, faced as he was with foreign occupation and domestic political rivalries. His restoration to the throne and Prime Minister Mossadegh's ouster in 1953 was due largely to loyal military elements and Western support, and on these factors he continued to rely in building his vision of the Iranian state.

The practice of a modernizing and privileged military class playing a central role in the Tehran regime, begun by Reza Shah, accelerated rapidly under his son. With the White Revolution of 1963 the Iranian military played an increasing role in implementing these reforms and in government and society in general.<sup>89</sup> The military was given preferential social and financial treatment, and many high ranking officers served as provincial governors, mayors of major cities and in important central government posts.<sup>90</sup> The Shah relied heavily on United States political, military and technical support in building his military machine. With the rise in oil prices of the late 1960s and early 1970s, the Shah was able to fund his own procurement and modernization programs, and was given a free hand in this regard by implementation of the Nixon doctrine in 1972. By the mid-1970s Iran possessed one of the most impressive armed forces in Southwest Asia, at least in terms of equipment.

The primary aim of the Shah's military was defense against external aggression, initially from the Soviet Union. Realizing the imbalance of forces facing him, "the Shah pursued economic cooperation to improve relations with the Soviet Union and thereby reduce military tensions along the border."<sup>91</sup> With this threat somewhat abated, Tehran faced the radical government in Baghdad and, increasingly, the vital Persian Gulf. With

the British withdrawal in 1971, the Shah intended to play a major role in security there. He steadily expanded Iran's military power throughout the decade, a factor which enabled him to become the dominant political actor in the region. This favorable military balance was exercised politically in securing the Algiers Accord with Iraq and participating in CENTO maneuvers and UN peacekeeping operations, and militarily in fighting insurgencies in Oman and Pakistan and in seizing strategic islands in the Gulf.<sup>92</sup> In spite of these actions, the Shah's armed forces were little challenged until the revolution.

The internal security challenge presented by the revolutionary forces proved to be one which the professional military was unable to deal with, either militarily or politically. While it can be argued that such a function is outside that of a regular military force, it can also be said that the Imperial Iranian Armed Forces had internal regime security as a function and should have been prepared to exercise in this role. Indeed, approximately 30% of the Shah's ground forces were stationed in Tehran itself.<sup>93</sup> Also, as stated above, many officers held important civil government posts. Additionally,

...the military also came to assume duties in the administration of justice. Whenever internal opposition to the regime became serious, the Shah imposed martial law; but even when civilian authority was reinstated, most political offenses continued to be brought before military courts. By the mid-1970s the Shah had increased the jurisdiction of the armed forces to the extent that even smugglers, drug pushers and currency forgers were tried in military tribunals.<sup>94</sup>

With such arrangements, the Shah's military commanders certainly knew their primary mission, and in fact there were numerous uses of force against the revolutionary demonstrators in 1978. Not only were these heavy-handed measures ineffective, but the Iranian generals were ill-prepared for the burden the Shah would place on them as the political crisis deepened. This failure can largely be traced to the organization and force structure put in place by the Shah himself.

That monarch was in a paradoxical situation regarding the effectiveness of his military organization. It constituted his only real base of political support and enforcement of his policies, and was therefore required to be as well trained and equipped as possible. Yet it also represented the major threat to his rule, so he went to great lengths to prevent any possible opposition from his commanders. Although maneuver units were organized along American lines, this example was not followed administratively. Instead of a joint staff of service chiefs to foster sound decision-making and cooperation, the Shah controlled the military directly and made all important decisions himself. Heads of the army, navy, air force, army aviation, gendarmerie, national police, and intelligence and security organizations reported directly to the Shah and were not allowed to meet with one another. Personal loyalty to the monarch was fostered through financial and material considerations, and promotion was based on loyalty and personal ties rather than competency. Additionally, various intelligence organizations conducted surveillance of each other and top officers were encouraged to report on one another.<sup>95</sup> While ensuring against any possible coup or conspiracy attempt, this system of vertical separation and mistrust made it impossible for the generals to make decisions on their own or cooperate effectively in either the operational or political realm. When the Shah departed in January, 1979, the Imperial Iranian Armed Forces were left headless and without loyalty to the government or the nation itself. Far from taking over and establishing order by a military coup, as many Western observers thought probable, the Shah's vaunted military simply dissolved.

## 2. Post-Revolutionary Armed Forces

The Imperial Iranian Armed Forces were organizationally, psychologically and physically emasculated by the revolution. As the principal group supporting the monarchy, the armed forces were viewed with hostility by both the revolutionary leaders and the population at large. Many junior officers, *homafars* (warrant officer technicians) and the rank-and-file went over to the revolutionary forces. Some senior officers collaborated with the opposition as they saw their political fortunes change, and many more fled the country

or were arrested. A large number of personnel simply left the service and went home. In 1979 the army alone experienced a 60 % desertion rate.<sup>96</sup> Finally, the armed forces lost a great deal of their most experienced leadership to a series of systematic purges carried out by the revolutionary regime. These were calculated to eliminate any pro-Shah elements which might prove dangerous to the new government and to establish the clergy's political control of the military.<sup>97</sup> Some sources estimate that nearly all of the Shah's 500 general officers were eliminated in one way or another, and that approximately 45% of the officer corps and 68% of field grade officers were purged from the regular military.<sup>98</sup>

In addition to loss of skilled leadership and personnel, the military also suffered from the loss of foreign - mainly American - advisors and weapon system support, the destruction of its logistic and supply system, and the takeover of much equipment by armed rebel factions. Either by design or circumstance the Iranian military was left in almost complete disarray, and could play no effective role in the political life or defense of the nation.

The revolutionary government was not entirely hostile to the armed forces, however. Though the leftist Mojahedin and Fedayeen guerilla movements called for the total dissolution of the military and the formation of a "people's army" - in which they would play a major role - the revolutionary clerics distrusted the leftists and realized that the army's existence was necessary to guard the nation. Statements by Khomeini and other leading religious figures attempted to end the popular hostility to the military, while the purges sought to guarantee clerical rule. In spite of this, little was actually done to revive the military from the post-revolutionary turmoil, the regular forces being largely neglected until the Iraqi invasion.

The many factors stemming from the revolution had a disastrous effect on the regular armed forces' leadership, technical skills, personnel, logistics and administration, effects which were keenly felt when Iraq invaded in 1980. This event more than any other forced the regime to rebuild and restructure the Iranian Armed Forces, and this is the organization which exists today.

### 3. The Military Under The Islamic Republic

#### a. *Organization*

Under Article 110 of the Constitution of the Islamic Republic the supreme religious leader, or Faqih, is also the supreme commander of the Iranian armed forces.<sup>99</sup> As such he is vested with sweeping powers to appoint and dismiss top civilian and military officials and to declare war. Much of this power can be delegated to the President, who may delegate further as necessary. When the Iraqi invasion came these executive powers alone were quickly found insufficient to direct the war effort, and under this pressure the Supreme Defense Council was formed on October 12, 1980. Membership of the SDC includes the President, Minister of Defense, Chief of the Joint Staff, IRGC Commander, and two advisors appointed by the Faqih. It may also include several others such as the Interior Minister, IRGC Minister, IRGC Deputy Commander, and individual service chiefs.<sup>100</sup> Although membership and responsibility shifts somewhat due to factional politics and the situation at hand, this system functioned well during the war.

Below the SDC the Iranian military is controlled via both operational and administrative chains of command, much like the forces of the United States, and is divided into three major groups: the regular military, the *Pasdaran-e Enqelab* or Iranian Revolutionary Guard Corps (IRGC), and the *Sepah-e Basij*, or Mobilization Army. Operational control is exercised by the Joint Staff of the Armed Forces, which includes the

heads of the three regular services (ground forces, air force and navy), the Pasdaran, the National Police and the Gendarmerie (the Basij is subordinate to the Pasdaran). Administrative control is performed by the Ministries of Defense and the Ministry of the Pasdaran, respectively.

*b. Regular Armed Forces*

Though retaining the traditional ground, air and naval services, the regular Iranian forces have undergone a major transformation since 1979. Under the Shah the military was organized along American lines, with large, self-supporting maneuver units which had their own logistic and maintenance elements. The revolution and war forced a major rebuilding and restructuring, and the resulting force was redesigned more in the Soviet style, with smaller combat units and separate supporting elements. This was due primarily to the lack of logistical capability and infrastructure resulting from the revolution, and the administrative and manpower burdens required to support the combat elements.<sup>101</sup> Also, the loss of a single major foreign weapon supplier and the inability to keep its stock of U.S.-made weapon systems operational due to lack of parts and technical assistance drastically affected Iran's capabilities. It is estimated that Iran could only keep half of its major weapon systems operational during the war with Iraq.<sup>102</sup> Both during and after the war Iran has relied on a wide array of weapon suppliers, including China, North Korea, Libya, Syria, Israel, Britain, Taiwan, Pakistan, Argentina, South Africa, Switzerland, the Warsaw Pact nations, and even the United States. Absorbing and integrating such a confusing mix of equipment posed a serious challenge. Therefore, while the number of operational divisions has actually increased, these are smaller units with less heavy equipment and indigenous support.<sup>103</sup>

Along with this change in "tooth to tail" ratio, numbers of personnel in the regular forces have actually decreased, down to 300,000 from a peak of nearly 450,000 in 1978.<sup>104</sup> Though the Pasdaran and Basij provide additional manpower, they fulfill other functions, and it was the regular forces which proved most effective during the war with Iraq. Due to wartime equipment losses and maintenance problems, Iran's ground forces are heavy on foot soldiers, with 31 infantry divisions and only 8 armored, one mechanized and one special forces division. Of these 41 divisions, 28 are Pasdaran units, which are nominally equivalent to a Western brigade in size and are primarily lightly armed troops. There are also 5 independent paratroop/special forces/airborne brigades, again light troops. Tanks number approximately 700, many of them older Soviet designs. Compare this to a U.S armored division, which has 348 main battle tanks and 17,000 personnel. Although impressive in numbers and attempting to modernize, the organization, equipment and training of these personnel is more significant than numbers alone. The current force structure of the Iranian ground forces does not constitute a major threat at present. (See Appendix A for details on current Iranian order of battle.)

While effected less by purges and desertion than the ground forces, the air force and navy were hurt more by loss of skilled personnel and lack of adequate training and outside support. The air force performed well in the opening stages of the war in 1980, but was limited for much of the conflict due to maintenance problems.<sup>105</sup> Though gaining in sophistication since the war, much of their equipment still consists of American designs for which support is lacking, while the newer items are primarily of Russian and Chinese origin. Though these systems are currently cheap and plentiful, long-term after-market support must be questionable today, while their quality is not up to Western standards. Tehran also has trouble absorbing the newer designs. This weakness is demonstrated by the fact that upon acquiring over 100 escaping combat aircraft from Iraq during the Gulf War, Tehran was unable to absorb them and had to turn to outside sources for technical support.<sup>106</sup> Furthermore, only two squadrons of MIG-29s and one of SU-

24s have been delivered from Russia, while reported transfer of long-range Backfire bombers has yet to be confirmed. Again, the effective near-term absorption and integration of such systems is doubtful, while long-term operational capability without significant external support is questionable. Finally, the Iranian air defense and control system is extremely deficient. Almost non-existent during the Iran-Iraq War, it has improved little since the cease fire. Again, the example of the escaping Iraqi pilots is useful, as Iran reportedly had no warning of any airspace violation until their arrival.<sup>107</sup>

The navy was less effected by the revolution and more isolated from the population than the other services, and its operational forces were relatively intact in September, 1980.<sup>108</sup> Consequently, it performed well in the opening stages of the war, but then retired to coastal patrol and shipping interdiction. This was due to lack of an Iraqi naval threat and to maintenance and logistical shortcomings. This is apparent from the fact that much of the tanker war was conducted by the IRGC using infantry weapons. The regular navy was later badly hurt by skirmishes with U.S. forces in 1987-88, and so faced a major postwar rebuilding program.<sup>109</sup> Currently, Iranian naval vessels and weapon systems are primarily light coastal units from Western Europe which, while qualitatively superior, are technically sophisticated and maintenance intensive. The acquisition of Kilo-class diesel-electric powered attack submarines from Russia are justifiable concerns given the importance of the Straits of Hormuz, but one must question the level of training and maintenance required to make these platforms a credible threat. If the unenviable record of most Third World submarine forces is any indication, it will be inordinately high and therefore such systems may not be as effective as they appear on paper.

Leadership of the regular military has also undergone a major change since the revolution. As noted, most of the senior and mid-grade officers were eliminated from the armed forces in one way or another within the first one to two years after the Shah's ouster. The ill effects of this loss of experienced leaders was keenly felt during the initial phases of the war with Iraq. The gap was filled with some senior officers who joined the

revolution and, primarily, by promoting junior officers to positions of greater responsibility. Later, those who had proven themselves in combat were given battlefield promotions. Though still suffering from lack of senior and middle rank professionals, this process eliminated class distinction and served to increase unit cohesion.

Finally, the regular military's role, character and the way it is viewed by society have been altered dramatically by war and revolution. The Imperial forces were widely, and correctly, viewed as the Shah's oppressive tool. With the changes wrought by the revolution and eight years of war turned the military into the heroic and legitimate defenders of the nation. Additionally, the transformation of the officer corps, relative lack of corruption and privilege, visible political control, and the fact that the military is no longer charged with internal security and regime support serve to heighten its domestic prestige and make it a bastion of Iranian nationalism, as opposed to Islamic ideology and political activism. Finally, the regular military continues to be the best organized, most well-educated, most disciplined, and least religious group in Iranian society.

As important as the Iranian military's capabilities is the degree of political control exercised over it.<sup>110</sup> Although the purges established the revolutionary government's control of the armed forces, it is maintained through an elaborate system of political oversight. The methods and organizations involved in this control are numerous and varied, and are both formal and informal. The latter include such practices as appointing "Imam's Representatives" (under Khomeini) to military units. Some of the former are discussed briefly.

The Political Ideological Directorate (PID), while officially a part of the Ministry of Defense, was actually established under the Central Committee of the IRP. Its functions include political and ideological indoctrination, propaganda, and internal security. It also conducts welfare and recreational activities and, importantly, screens personnel for career advancement. The SDC Secretariat maintains staff assigned to units down to division level and is primarily responsible for monitoring senior field commanders. The

Joint Staff maintains a Security and Intelligence Department which gathers information on commissioned and non-commissioned officers. There is also the Guidance Organization, which handles identification of political dissidents.

This is by no means an all-inclusive list, and informal means are also widespread, including the involvement of local Islamic associations. Additionally, the officer corps has a high degree of control, including promotion oversight and restrictions on horizontal communication and freedom of movement.

What is important here is the overlapping and confusing nature of political control mechanisms in the Iranian military. Though extensive and well-institutionalized, their effectiveness is limited by the confused lines of authority and command, duplication of effort, informal and personal ties and activities, and political rivalries among the control organizations. It is also significant that while some of these organizations are also active in the Pasdaran, political control of that arm is by no means as comprehensive as is that of the regular military.

While ineffective and inefficient in many respects, the various organizations and methods used by the clerics in controlling the regular forces do serve to restrict the flow of information, freedom of action, personal following and esprit de corps of the regular armed forces. Though not as centrally controlled, these mechanisms are not unlike those employed by the Shah. In light of the deleterious effects of such control on the Imperial Iranian Armed Forces, observers must question the effectiveness of the forces of the Islamic Republic.

### c. *Pasdaran*<sup>111</sup>

The Iranian Revolutionary Guard Corps, or Pasdaran, was established by a decree of Ayatollah Khomeini on May 5, 1979.<sup>112</sup> This decree did not mark the beginning of the Guards existence, but instead was an attempt to establish government control over a large number of armed militia bands that had appeared around the fall of the

monarchy. Many of these previously existed as members of extremist Islamic groups, or as hired guards (pasdars) of influential religious and political leaders. As such they had no central control or national identity, but exhibited loyalty to localized figures based on personal or kinship ties. In the revolutionary turmoil of February, 1979 these groups became the de facto enforcers of the Islamic regime. Suspicious of both the regular military and the leftist guerilla bands, Khomeini and his ruling circle saw a need to establish their own loyal security organization as well as central control and public order. The pasdars were a ready solution to this problem.

Since that time the Pasdaran has become institutionalized as one of "the most powerful political and military organization(s) in Iran."<sup>113</sup> It is charged by Article 150 of the 1979 constitution with "defending the revolution and safeguarding its achievements."<sup>114</sup> This vague definition has left a great deal of room for interpretation on just what this mission entails, and so Pasdaran functions have expanded over the years. Duties include guarding important government buildings and officials, putting down internal disturbances and fighting alongside the regular military in defense of the country. It has also become a road to advancement for many current leaders of the regime and is often a goal and a means of factional power struggles within the government. Thus, its "evolution is not unlike the Waffen SS in Nazi Germany, starting out as a largely political organization with primarily internal and security functions, then developing rapidly into a regular military force with heavy weapons and with a hierarchical command structure."<sup>115</sup> The Pasdaran has, in effect, replaced the Shah's military as the major pillar of the regime and coercive force within society.

The Pasdaran currently comprises a force of 170,000 members, approximately half of the regular armed forces. In spite of this, most of the divisions currently organized are Pasdaran divisions, which are likely smaller than either Western-style divisions or those of the regular ground forces. These numbers and organization are somewhat deceptive, however. In reality, the Pasdaran are organized into largely autonomous battalion-sized

units which may operate independently or in cooperation with the regulars. While they do possess heavy weapons such as tanks and artillery, these are not present in large formations. Most Pasdaran troops remain lightly armed, irregular infantry forces. Though air and naval units of the Pasdaran have been established, these are also light units such as coastal speedboats equipped with machine guns and rockets. Additionally, a major part of the IRGC is not deployed to defend the country, but is employed in internal security functions in major urban centers. In spite of its evolution into a military force and its highly-publicized combat role in the war with Iraq, the Pasdaran remains largely a political enforcement arm of the clerical regime.

#### *d. Basij*

Like the Pasdaran, the Sepah-e Basij, or Mobilization Army (formerly the Basij-e Mostazafin, or Mobilization of the Oppressed) was established by Khomeini's declaration when, on November 26, 1979, he called for a people's army of 20 million.<sup>116</sup> This was primarily due to the continuing internal dissent facing the clerical regime and fears of U.S. intervention following the seizure of the American embassy in Tehran. Unlike the IRGC, however, the Basij did not previously exist and had to be formed out of whole cloth. Given the divided political situation in Iran at the time, its definition and formation were quite slow. It originally consisted of volunteers who received rudimentary ideological and military training and served in civil defense, disaster relief and internal security roles, including the fight against the Kurdish resistance. As with other lasting military reforms, the first meaningful development of the Basij had to await the onset of hostilities with Iraq.

In late 1980 the Basij was made subordinate to the Pasdaran, serious attention was given to its organization and expansion, and it became a sort of "active reserve" paramilitary organization. It is administratively controlled by the Ministry of the Pasdaran,

and operationally controlled by the Central Basij Committee via the Pasdaran Central Staff. Important functions include internal security and intelligence, education, workers' mobilization and tribal mobilization.

With renewed emphasis given by the war the Basij expanded rapidly. Though it never became the army of 20 million envisioned by Khomeini, numbers during the war were substantial, with claims to having trained 3 million volunteers, 600,000 of which had seen combat.<sup>117</sup> With wartime mobilization of the nation, the character of the organization also changed. Though still recruited from the urban and rural poor, the age range shifted from men and women between 20 and 30 to those under 20 and over 35-40.<sup>118</sup> The primary role changed to that of augmenting regular combat forces, and greater emphasis was placed on military training and discipline. During the war many thousands of Basij members were dispatched to the front, where they played significant roles in the 1982 and 1984 offensives, and many died in "human wave" attacks. In spite of an increased "combat" orientation, their training was still substandard and casualty rate excessively high. Though their presence was useful for sheer weight of numbers and probably morale, their operational importance was normally less than supposed. This can be gauged by the fact that its membership has been drastically reduced since the war.

This is not to say that the Basij is not important, but that its significance is more political and social than military. It covers most Iranian towns and villages, where it plays an influential role in political-ideological education, propaganda, security, and training, especially in the provinces. Much like the Pasdaran, it has become the preferred vehicle for upward mobility for many low-income youths. Women also have a visible part in the Basij, where their duties range from security guards and local intelligence to political education of children. Finally, the organization is often mobilized for political demonstrations in support of the government. "By engaging in activities of this nature, the Basij has evolved into a powerful religious and political propaganda organization...."<sup>119</sup>

### e. Logistics and Defense Production<sup>120</sup>

Like all other aspects of Iran's national security apparatus, the logistics and defense production systems were seriously disrupted by the revolution, reorganized and expanded, though not necessarily improved, during the war, and are currently in a post-war rebuilding phase.

The logistical system before the revolution, while not superb, was reasonably adequate by Middle Eastern standards. With the revolution, however, supply, transportation and communication underwent an almost total breakdown. For example, the computerized supply system purchased by the Shah was sabotaged, either by departing American advisors, revolutionaries or both, thereby destroying virtually all records of available spare parts. Transportation, especially the railways, was damaged nearly as badly, making troop movement, supply and reinforcement extremely difficult. In the fall of 1980, for example, it took one division over six weeks to move from Mashad to Khuzestan. Also serious were the international embargo and loss of external technical support. More significant than these factors was the political in-fighting and rivalry of the Pasdaran with the regular forces. This resulted in almost total neglect of the already crippled logistic system prior to the Iraqi invasion and made reconstruction of it extremely difficult for some time afterwards.

With the stimulus of war came new efforts to rectify the situation, but the new system did not develop clearly or efficiently. The regular military and Pasdaran increasingly had to compete with each other as the latter gained its own indigenous supply system. Additionally, the remodeled Provision Organization and the newly created Reconstruction Crusade further confused the situation. Civilian organizations semi-responsible to the Ministry of Defense, they eventually came to deal in civilian economic development, agriculture and industry, while supporting the armed forces with logistics manpower, supplies and transportation. This competing and politicized structure proved difficult to coordinate. In many instances during the war front line units received different

provisions than those stationed next to them, thus directly effecting operational and tactical employment.

Suffice it to say that, like many other issues in Iran, that of military logistics suffers from too many overlapping and poorly coordinated organizations which are inefficient, distribute supplies unevenly and are handicapped by over-reliance on traditional familial ties and practices. Although overcoming these problems in wartime with a great deal of improvisation and intensive manpower, continued factionalism on all levels can be expected to hamper Iranian logistics for some time to come.

Iran's indigenous defense industries underwent a similar experience. Consolidated under the Shah's Military Industries Organization in 1963, the defense industry was growing in scope and sophistication by the late 1970s. Badly damaged by the departure of foreign technicians and imposition of the international embargo, it was given new emphasis by the war.

Re-organized under the central auspices of the Defense Industries Organization, which is subordinate to the Ministry of Defense, it was also divided in several ways. Not only did the regular military operate and maintain production facilities, so did the IRGC and the Reconstruction Crusade. Thus, the defense industries were subject to the ills of a centralized economy as well as inefficient planning and coordination - in short the worst of both worlds. Although able to repair and make parts for many weapons, they are unable to properly maintain the more sophisticated systems, and are forced to produce large quantities of simple, low-quality items rather than specialize in a few high technology products. They continue to be hampered by lack of adequately skilled technicians and managers, and rely on training less well-educated personnel just to reach the numbers necessary for maintenance purposes. Perhaps the best characterization of the state of the Iranian defense industry is Tehran's own boast of having some 240 state-owned and 12,000 privately owned military production facilities with over 45,000 personnel.<sup>121</sup> Yet

this is less than four people per facility, which makes it difficult to see how the DIO can be productive enough in any area to support the large numbers of personnel in the armed forces. However, some steps have been taken to improve this situation, including the 1989 merger of regular forces and IRGC production plants.<sup>122</sup>

#### *f. Wartime Performance*

This is not an attempt to analyze military operations during the Iran-Iraq War, but rather to draw general lessons about the performance of the Iranian forces in their major combat test. While this may not be a reliable indicator of future results, it is the best gauge currently available.

The major lesson which can be drawn from the war is the regular military's superiority over "revolutionary" paramilitary forces and its continuing identification with Iran's fundamental national interests. In spite of their highly visible, and highly publicized, role in combat the Pasdaran can in actuality take credit for few successes. The "human wave" assaults of the 1981-1982 offensives, during which Iraqi forces were driven from Khuzestan, did not succeed on their own. Instead, their successes "resulted from their incorporation into comprehensive combined-arms operations, carried out under professional military direction."<sup>123</sup> During the later counter-invasion of Iraq, when the Pasdaran had assumed primacy, its massed frontal tactics failed at high human cost. Later victories, notably the capture of Faw, were a result of planning and coordination between the IRGC and the regular forces. It is apparent that revolutionary zeal, religious martyrdom and superior numbers are not a substitute for professional training and organization, nor can they overcome a well-prepared defense possessing superior technology and firepower. Only under the direction of the professional forces did Iran achieve any measure of success on the battlefield.<sup>124</sup>

The regular forces political role regarding Iran's interests in the course of the war are also instructive. After the Iraqis were driven out of Khuzestan, moderate political factions and the regular military argued against continuing the war into Iraq, for both political and military reasons.<sup>125</sup> When their opinion was overruled, they took little part in the subsequent offensives, which, as noted, failed miserably. It is unclear whether the regulars have the political weight or credibility to successfully oppose ill-advised ventures in the future. However, they have a proven combat record and precedent for such opposition, and their continued focus as the bastion of Iranian nationalism and popular prestige may make their opinion hard to ignore.

Air and naval operations also offer some significant lessons. Due to Iran's strategic depth and geography these warfare areas grant Iran certain advantages. Most of its major population centers are deep in the interior of the country, making air and missile attacks more difficult, while its coastline controls both the head of the Gulf and the Straits of Hormuz. Indeed, Iran used these advantages at the outset of the war by carrying out successful air and naval strikes to destroy Iraq's oil export facilities and naval installations, and drive back much of its front line air defense systems. Soon, however, both its air and naval forces were severely hampered by personnel and material shortages, and played little part in the rest of the conflict. In fact, fixed-wing aircraft were in such short supply that the ground forces relied primarily on helicopters for close air support.<sup>126</sup> Similarly, the "tanker war" was carried out by lightly armed Pasdaran units due to lack of larger combat vessels. It is therefore difficult to predict if these forces would perform better if properly supported and equipped. However, air and naval operations also revealed certain Iranian weaknesses.

Air strikes were not carried out in a well-planned and coordinated manner, and the air defense system was neither integrated nor operational for much of the conflict.<sup>127</sup> It is by no means certain that this problem has been solved even yet. Furthermore, Iranian geography can also be a vulnerability. Iran's oil production and export facilities are all

extremely vulnerable, as Iraq demonstrated by its own air strikes time and again. In fact, this geographical and economic vulnerability was the principle reason for the escalation of the tanker war which eventually drew in U.S. forces. Despite valid non-belligerent fears of Iranian escalation, Iraq conducted the vast majority of strikes against Iranian shipping and facilities, and was largely successful in its strategic aims. Iran's inability to protect its economic lifeline, even with naval superiority and at least local parity in the air, indicates a fundamental lack of a key military capability. Again, emphasis on coastal patrol craft and submarines cannot reverse this situation. As with the air defense arena, the vulnerability remains.

It is difficult to tell if the post-war Iranian military is substantially improved over the wartime forces. Significantly, planners must look at logistics, supply, production, air defense and naval capabilities in order to gauge the current forces. Numbers are of little significance without both appropriate equipment and support on the one hand, and professional training and ability on the other.

Despite their numerous shortcomings, the war proved a means of resurgence to the professional Iranian military and its record during the conflict offers a lesson in its current warfighting abilities. Virtually destroyed through purge, neglect and desertion, the Iranian armed forces were totally unprepared for war with Iraq. Yet the war gave the government a vested interest in reviving the professional forces, and they gave a reasonable account of themselves on the battlefield. In fact, the performance of the regular elements in major offensives provided the difference needed to achieve key victories. The war also made the regular forces a source of shared experience, nationalism and pride to the Iranian people and nation.

#### **4. Assessment**

Much has been made of Iran's military buildup since the defeat of Iraq in the Second Gulf War. While Tehran is undertaking weapons acquisition and modernization programs, and undoubtedly intends to pursue its own regional aims and establish a form of military self-sufficiency, the buildup needs to be put into perspective. While certainly cause for concern, Iranian forces may not be as strong, capable or threatening as it may appear from press reports.

##### *a. Defense Budgets*

Estimates of Iran's defense spending vary widely and are extremely hard to substantiate. Most sources agree that figures cited for defense spending do not include money for procurement. This is complicated by the fact that much former Soviet equipment is likely selling at bargain prices, while some may be bartered from the cash-strapped republics for oil and natural gas. Iranian opposition sources place procurement spending for 1991 at \$19 billion dollars.<sup>128</sup> This seems inordinately high given Iranian economic troubles and continuing low oil prices. Less biased authorities place military expenditures for 1991 at just over six billion dollars, down from a post-1979 peak of \$10.23 billion in 1982.<sup>129</sup> The CIA estimates allocations for 1992/93 hardware purchases at two billion dollars,<sup>130</sup> and puts the 1990-94 total at \$10 billion.<sup>131</sup> Others make a reasonable estimate of five to six billion dollars per year.<sup>132</sup>

Similarly, estimates of defense outlays as a percentage of GDP and in relation to social services also vary. Appendix B, Tables 1-3 illustrate different figures for the defense spending of major Middle East nations at constant prices and as a percentage of GDP. According to SIPRI, Iran's defense expenditures as a percentage of GDP averaged between two and one-half and four and one-half percent between 1982 and 1987. Other sources place the current percentage at nine percent. This may reflect an increase for post-war re-building, or it may be due to the inclusion of procurement estimates. By any

measure, however, these figures are not excessive compared to those of Iraq, Saudi Arabia or Israel. Iran also compares favorably regarding social versus military spending. Tehran's current total public investment is at 7 percent, whereas that of the Arab Gulf states tends to be much higher. There defense spending is a much greater percentage of GDP and often exceeds that for social services (see Appendix B, Table 4). Iran may also still be in a rebuilding stage, having suffered considerable damage from the war with Iraq, including 300,000 casualties and loss of up to 60 percent of its major military equipment.<sup>133</sup> Additionally, the 1993/94 defense budget may be facing serious cuts due to the devaluation of the rial and other economic reforms.<sup>134</sup> These facts do not necessarily portray Iran as the all-pervasive threat it is often made out to be.

*b. Manpower*

Iran's large and rapidly growing population is often cited as a reason for the GCC states to fear Tehran. While this is a valid claim, and conversely the Arab monarchies' lack of personnel is a serious weakness, the reverse is also true. Though it is obviously easier for Tehran to field a half-million man military than, say, Oman, such a large and diverse population also presents problems. Iranian GDP per capita and living standards are much lower, thus placing a higher priority on social programs and stable, diversified economic development. Iran also exercises the form, if not the substance, of democracy and is traditionally a more pluralistic and politically active society than are those of its Arab neighbors. A sizable population in a large and still developing country also presents substantial problems in state control of the populace for military mobilization, education and extraction of revenue. In fact, lack of recruits caused Tehran considerable domestic political trouble during the war.<sup>135</sup> Mobilization and state control is much more difficult and less pervasive in Iran than it is in Iraq or Syria, with their smaller population and area and highly institutionalized political systems. It can be seen from Appendix C that

while Iranian numbers are greater, its mobilization ratios are much lower than most other nations of the region. Just as Iran's geography makes the nation both dominant and vulnerable, so its personnel resources are both an asset and a liability.

### *c. Intentions and Capabilities*

Force structure and organization were discussed above, and are summarized in Appendix A. The capabilities granted by this force structure and the intentions for this capability warrant a brief review.

The army is structured more for the kind of trench and urban warfare seen during the Iran-Iraq war and for limited and irregular operations than for offensive, maneuver warfare of the type practiced by the United States. Though effective in suppressing insurgencies and carrying out cross-border raids, such forces would be useful for only limited offensives in a major conflict. Operations near the Iran-Iraq border in particular are hampered by mountainous terrain, water obstacles and seasonal flooding, making mobility, prolonged offensives and logistic support difficult.

These factors and Iran's strategic depth make high technology air and missile warfare more attractive. Indeed, Tehran seems to be concentrating much of its re-arming program on offensive air warfare and ballistic missile systems. Air and missile forces could certainly carry out strikes against targets in the region, but objectives would necessarily be limited unless in concert with general land offensives or clearly defined political objectives. While certainly possible in some scenarios, such predictions ignore the major hurdles Iran has yet to overcome in air warfare planning and command and control, as well as in air defense and maintenance of sophisticated systems.

There is also the question of the vulnerable Straits, through which so much of the world's oil supply travels. Naval, air and missile assets could conceivably attempt to control the Gulf and close the Straits of Hormuz, but this is more complicated than it appears. The surest method of closure would be through mine warfare, but currents in the

straits make minelaying difficult and such a minefield would present a hazard to Iranian shipping as well. Selective air and naval control would be a preferable strategy, and recent and planned acquisitions of submarines, missile patrol craft and anti-shipping missiles point to this option. Indeed, well-publicized naval maneuvers, such as "Victory 3" in May, 1992 are designed to demonstrate Iran's sea-denial capability. Again, however, Tehran suffers from the same shortcomings of training, maintenance and logistics. For example, some Western naval authorities state that Iran's Kilo submarines will not be mission capable for three years, and cannot be fully operational for at least 8-10 years.<sup>136</sup>

Finally, the question of strategy arises. To what end would Iran wish to close the straits? As demonstrated in the tanker war, Iran is far more dependent on and vulnerable to loss of free navigation than are other states of the area. Such action would not only hurt Iran economically as much as any other state, but would invariably invite military retaliation. It must be remembered that while Iranian forces did a credible job of fighting Iraq to a stalemate over eight years, the U.S. coalition routed the world's fourth largest army with six weeks of air strikes and a 100 hour ground offensive. It is doubtful that Iran desires similar treatment. Therefore, Iran would probably attempt to close the sea lanes only if its own oil production and exporting facilities were destroyed. Such a strategy is clearly not in Tehran's best interest.

Much of the Iranian re-armament is likely targeted at countering Iraq, still a major regional power despite its recent defeat.

The Iranians have reason to fear the resurgent power of Iraq...much of (the current arms buildup) may be justified as a prudent measure against a reoccurrence of the beating the country took at the hands of Saddam Hussein in the 1980s.<sup>137</sup>

Renewed conflict between Iran and Iraq is one of the most likely scenarios for violence in the region.<sup>138</sup> While undesirable, such a conflict would not pose a direct threat to Western interests unless it escalated uncontrollably.

Iran's next most likely targets are Saudi Arabia and the GCC states. Though these nations are less able to defend themselves than Iraq, geography presents a major obstacle. Here Tehran can only threaten or attack by air or sea. While a credible threat, such attacks can be effectively countered by current GCC forces. Iran currently lacks the ability, training and force structure to carry out a major amphibious operation. As with other scenarios, objectives would have to be extremely limited and politically well-defined. The lack of sufficient amphibious lift capability limits any operation in the central and southern Gulf to minor attacks on or seizure of islands or oil platforms. "In sum, a major attack by Iran on its Arab neighbors does not seem to be a particularly easy matter, nor does it appear to offer an opportunity for quick seizure of a digestible objective."<sup>139</sup>

Iran's final and least likely target is Israel. Recent acquisitions of long range strike aircraft and ballistic missiles, and the possibility of nuclear weapons development, give substance to Tehran's inflammatory rhetoric. Such a scenario does not appear realistic, however. While the Iranian threat may be useful politically to both Tehran and Tel Aviv, Israel's military superiority and the demonstrated will to use it, plus a nuclear arsenal of its own, provide more than enough deterrence to any Iranian plans. Even some Israelis have "argued that Iran may have higher priority strategic interests which would take precedence over its quarrel with Israel...."<sup>140</sup>

We must conclude that while Tehran's military build up appears threatening, their forces are still recovering from losses during the war with Iraq; newer, sophisticated systems are extremely maintenance intensive and require a great deal of training and support; and the forces are not structured for a major land or amphibious offensive, especially against the U.S.-allied GCC states.

#### *d. Summary*

The Iranian armed forces have undergone a major transformation since 1979. Though touted as the policeman of the Gulf and generally recognized as one of the

strongest militaries in the Middle East, the structure and organization imposed by the Shah actually made it a hollow force, one which collapsed under the strain of the revolution.

Under the impetus provided by eight years of war, the professional military has since revived. Proven superior to the paramilitary revolutionary forces in combat, the regular forces have changed from the coercive arm of the regime to the legitimate defenders of the nation. Though not completely egalitarian, the vast social differences and financial privileges that characterized the imperial forces have been removed, as has widespread corruption. The regular military is more professional, cohesive, nationalistic and more closely identified with the Iranian people than it ever was under the monarchy. It is also under fairly tight political control, and hampered by an inefficient logistical system and lack of supply and maintenance support and qualified personnel. However, it is likely more effective due to wartime experience, morale and leadership. Though having little political power, it continues to be a strong core of moderation, nationalism and rationality in Iranian society.

Conversely, the Pasdaran and its sister organization, the Basij, act as the supporting pillars of the clerical regime and the oppressors of the population. They are highly politicized, enjoy a privileged place in society, and their leaders have a strong political voice. They are also fraught by internal divisions and operate on personal loyalty, and as such are often pawns in political power struggles. Although under less direct centralized control than the Shah exercised, the Pasdaran plays a similar role and has similar weaknesses as did the imperial forces. Significantly, it is also under less stringent control than the regular military and has the potential to play a larger political role. If ever put to that test, however, the Guard Corps may prove to be as hollow under pressure as did the Shah's generals.

In all likelihood the Iranian military is not the threat it is often depicted. Though expanding, it still lacks advanced combat capability, supporting infrastructure, and technically qualified personnel. Planned weapon system acquisitions (see Appendix D) are impressive, but effective absorption and support of high technology equipment are probably beyond current capability. While Iranian forces and manpower resources are larger than those of its neighbors, this numerical superiority is offset by sophisticated weapons, training, geography and cooperation of the U.S. with its allies, especially in the air and naval arenas. "As long as the United States and its major allies are not otherwise engaged in conflict elsewhere in the world, and as long as access to oil is deemed critical to Western security, the likelihood of overt Iranian aggression remains low."<sup>141</sup> Therefore, assuming rationality of Iranian political and military leaders, it is likely that the conventional build-up is largely for defensive purposes and, more significantly, to gain political ascendancy. Even if Iranian leaders manage to achieve their most ambitious military goals, U.S. protection of the Gulf oil fields and navigability unquestionably outweighs any potential military threat from Iran.

## D. IRAN'S ECONOMY TODAY

This is not an in-depth study of the state of the Iranian economy since 1979. That is well outside the scope of this paper. However, it does offer a brief analysis of the state of the economy in the belief that the economic condition of a nation has a profound effect on the policies its government pursues both domestically and internationally. It is also an attempt to compare the economic conditions in Iran during the late 1970s with those of today in order to put the current conditions into perspective vis a vis those which prevailed just prior to the revolution.

### 1. Pre-Revolutionary Conditions

The economic conditions under the Shah, especially in the mid to late 1970s, have often been cited as a major cause of dissent which contributed to the revolution. However, many results of the White Revolution reforms and the drive to industrialization were quite positive. From 1960-1977 Iran registered an average annual real growth rate of 9.6 percent, nearly double that of other countries in the same category. Extensive welfare programs also made significant reductions in infant mortality, disease, and illiteracy rates, while caloric intake, life expectancy and school enrollment were all increased.<sup>142</sup>

Unfortunately, the Shah's drive to use Iran's extensive oil reserves to create an industrialized nation, make socioeconomic reforms and become a major military power all at once and in short order proved to be too ambitious a goal. The rapid modernization and urbanization created alienating social dislocation, fed corruption and increased the rural-urban and intra-sector income gaps. In 1973-74 the top 20% of the population accounted for 55.5 percent of household expenditures, while the bottom 20 percent made up only 3.7 percent, then one of the largest disparities in the world.<sup>143</sup> The nation also gained little from its extensive higher education programs. From 1950-1968, 325,731 students were sent abroad for higher education, but only 22,681 returned.<sup>144</sup>

While economic accomplishments under the Pahlavi reign were impressive, the growth was actually too rapid and imbalanced for the strength of the existing social and political structures. Additionally, a decrease in oil prices hurt the economy in 1977-78, creating a classic "J-curve" condition, where a failure of rising expectations adversely impacted both the elites and masses of such a rentier state, thus contributing to dissent even among the upper and middle classes.<sup>145</sup>

## 2. Problems of War and Revolution

The economy of the Islamic Republic was necessarily based on Islamic terms in order to correct the wrongs of the decadent, Westernized Imperial regime. The trouble has been that of identifying exactly what those terms are. An idealistic vision of social justice and benevolent centralized control, wholesale nationalization of industries, the confusing status of private property, and land reform that has remained in limbo for years have hampered any realistic management of a potentially rich nation with a rapidly growing population. A number of other factors have hindered the Republic's economic growth, including exodus of trained personnel and capital, a high birth rate, fluctuating oil prices, Western sanctions, international isolation, the war with Iraq and an influx of 3-4 million refugees from Iraq and Afghanistan.<sup>146</sup> Additionally, the decision to export the Islamic revolution further strained the country's economic and political resources and increased isolation. Although somewhat mitigated by an extensive infrastructure, large industrial capacity and currency reserves inherited from the Shah's regime, these factors have taken their toll.

Between 1978 and 1991, real GDP declined at an annual average rate of 1.5 percent, so that total 1989 GDP equaled that in 1973, just prior to the oil boom. During approximately the same period, per capita consumption fell from 153,00 rials to 125,000 rials, while the economy shifted from a liberal consumer orientation to one of central control and wartime austerity. Public investment dropped from 18 percent to 7 percent of GDP. Unemployment was officially at 14 percent, but was actually estimated to be up to

twice as high. One-third of total employment was in the public sector and agricultural employment had decreased by 10 percent. In spite of government emphasis on agriculture, which raised that sector's share of GDP input from 12.4 percent in 1977 to 18 percent in 1989, the nation still imported 17 percent of its foodstuffs. It also appears that the mass poor have benefitted little from the change in government. In 1972, approximately 44 percent of the population were officially below the poverty line. Indications, while not official, are that absolute poverty increased by 43 percent from 1979-85, and by 1988 some 65-75 percent of the population lived in poverty.<sup>147</sup>

Oil is obviously the major factor of the Iranian economy, and as such it deserves special mention. The oil and gas industries, being primarily located in Khuzestan province, were especially hard hit during the war with Iraq. Total infrastructure damage from the war was estimated by a UN team to be on the order of \$97 billion, while Tehran puts it at \$1 trillion.<sup>148</sup> While this was not just the oil sector, it obviously comprised a major portion of this total. It was also hurt by poor maintenance and management, loss of technical expertise, and lack of capital investment.

Iran's oil production hit a low of 1.46 million barrels per day (mbd) in 1980-82, as compared to 5.6 mbd in 1976. It increased slightly during the rest of the war, ranging between 2.2-2.9 mbd. Following the cease fire in 1988, production had climbed to 3.2-3.4 mbd.<sup>149</sup> Iran recently accepted an OPEC quota of 3.49 mbd vice the 3.8 mbd they demanded,<sup>150</sup> and indications are that they have rarely if ever exceeded 4 mbd since the war's end.<sup>151</sup> As a result, oil industry contribution to GDP declined from 30-40 percent in the 1970s to only 9-17 percent in the 1980s, while still accounting for over 90 percent of exports and government revenues.<sup>152</sup> Although registering substantial overall growth since the cease fire, the rebuilding process is slow and costly. For the Iranian year ended in March, 1993, oil revenues amounted to \$14.5 billion, \$2 billion less than planned.

Production for the year averaged just under 2.4 mbd, almost 500,000 barrels per day less than projected.<sup>153</sup> The continued weak performance of the oil sector and its large portion of government revenues is probably the clearest indication of the current state of the Iranian economy.

### **3. Post-War Reforms**

As mentioned above, since the Rafsanjani administration took over in 1989, there have been several reforms initiated in the nation's economy, including privatization and courting assistance from the industrialized world, particularly Western Europe and Japan. Three major initiatives are at the heart of the attempted economic recovery. Iran has been undertaking development and rebuilding programs to expand its oil production capacity. Tehran's Oil Ministry recently announced plans to reach production of 4.6 mbd in 1994, 5 mbd in 1995 and to exceed 5.5 mbd by the year 2000. However, Western oil experts doubt that these targets are achievable without substantial involvement of international firms in secondary recovery programs and on the mainland. West European companies have been working to expand offshore capacity since 1990, but are restricted from working on the mainland by political considerations and legal restrictions that prohibit "concessions" and "production sharing".<sup>154</sup> It is not yet clear if restrictions will be eased enough to allow the technical assistance and outside investment which the oil industry badly needs in order to meet Iran's ambitious goals.

The 1989-94 five year plan relied heavily "on foreign sources for investment in development projects and to pay off debts by drawing on the output of these projects".<sup>155</sup> Seemingly a mix of import substitution and export-led growth, in Iran's unique case of post-war rebuilding of a fairly extensive existing infrastructure, this policy appears to be garnering results. "There are indications that the billions of dollars invested in massive industrial projects over the past five years have started to pay off in terms of lower import

requirements and extra revenues from non-oil exports.<sup>156</sup> Indeed, Iran was able to cut imports and achieve a rough trade balance for the past year, but this was of course done through government intervention and not by market forces or business decisions, and probably with little regard for the effect on consumers.

Finally, the most recent and drastic step was the devaluation of the rial in March, 1993. This is a desperate move to transform the economy from its centralized control and move Iran into the global market system. The move was helped by World Bank loans of over \$800 million with another \$500 million possible, a potential Japanese loan of \$325 million, and the deferment of payments on letters of credit held by Germany and Japan, Iran's largest trading partners, said to be worth several hundred million dollars. Though expected to make Iran more attractive to international investors and ease credit rates abroad, the domestic impacts could be severe. Inflation is expected to rise to 30 percent from its current 20 percent rate, and unemployment will also increase. If Tehran can engender confidence and stability to hold off currency speculation and stave off social unrest in the short term, the long term effects could be positive. Rafsanjani and his political and economic reformers are counting on the convertible rial to force Iran into economic "efficiencies that will reduce dependence on oil and make it more competitive on world markets."<sup>157</sup>

Aside from domestic economic reforms, Iran has recently been very active in the international marketplace. Reciprocal visits by Iranian and Georgian delegations earlier this year, including a trip to Tehran by Georgian leader Eduard Shevardnadze in January, discussed supplies of Iranian natural gas and aluminum to Georgia, the construction of connecting pipelines and highways, modernization of Georgian ports and refineries by Iran, and the sale to Iran of Georgian-manufactured Sukhoi SU-25 warplanes.<sup>158</sup> A delegation to Croatia headed by Majlis speaker Ali Akbar Nateq Nouri reached agreement on orders for several large vessels to be built in Croatian shipyards,<sup>159</sup> for Iran to sell oil directly to Croatia, and for the countries to increase trade to \$200 million annually.<sup>160</sup>

Closer to home, Tehran is considering joining Sharjah-based Crescent Petroleum in a Qatar-Pakistan gas pipeline project, where a line from Iran's southeast fields would join a trans-Gulf line to Pakistan. An Iran-India gas pipeline is also under study.<sup>161</sup> A Canadian-European consortium is attempting to begin the conventional, 1,100 MW Shazand power plant near the industrial city of Arak.<sup>162</sup> National carrier Iran Air is attempting to purchase 20 Boeing 737-400 passenger aircraft worth up to \$20 million. The deal was canceled by the Bush administration due to an embargo on dual-use equipment, but the Clinton administration, pledged to help the airline industry, has agreed to review the situation.<sup>163</sup> Iran is also attempting to forge economic links with the Muslim Central Asian republics, where Tehran hopes to serve as the bridge between these landlocked nations and the Gulf. Kazakhstan, in particular, plays an important role in Iran's Silk Route Project for access to China. While these nations are potential future members of the ECO, Iran, Russia, Kazakhstan, Turkmenistan and Azerbaijan formed a Caspian Sea cooperative grouping in February, 1992. They already have shipping protocols covering not only major Caspian Sea ports, but also Bandar Abbas and Bandar Khomeini on the Gulf.

All of these economic initiatives may seem relatively minor and scattered, but they are important indicators to the direction Iran is taking. With deep economic problems, mounting domestic dissatisfaction, and a growing population, Tehran doubtless sees a need to reform and has a window of opportunity brought about by the rapidly changing world situation. If the government does not take advantage of this soon - by currency reform, decentralization and improved international business ties - it may not be able to do so at all. Faced with a stagnant economy and vast social problems, Rafsanjani

has a decade, two at the most, to reconstruct and reform Iran. If he doesn't do it Iran, despite its enormous civilization, tremendous manpower resources and oil wealth, will become (another) ...Egypt.<sup>164</sup>

## E. POLITICAL PROSPECTS

### 1. Domestic Politics

In Iran, as in the United States, domestic policy is foreign policy is domestic policy. Due to its dual system of government, extreme factionalism and internal dissent, and the strong ideological nature of the revolution, this situation is exaggerated in Iran. Under the charismatic leadership of Khomeini, there was never any doubt about where the real power lay, especially after that power was fully consolidated. After his death in 1989, however, the multi-layered system of Velayet-e Faqih, President, Cabinet, Council of Guardians, and Majlis has confused the power structure considerably.

After ten years of revolution, war, privation and violence in the name of Islam, Iran seemed ready to return to normal and the pragmatic Rafsanjani, long-time speaker of the Majlis and viewed as an astute politician, was able to consolidate power and embark on cautious reforms. His hand was apparently strengthened by an overwhelming success for moderates in the Majlis elections in April, 1992.<sup>165</sup> In mid-1992, however, Rafsanjani began to face increasing challenges from the radical hard-line clerics, led by the faqih, Ali Khamenei.

Radical Hizbullahi elements must always be given priority over non-Hizbullahis. They must be present at all levels in the administration and in the armed forces....since the main enemy of Islam...is the arrogance of the world with the U.S. at its head.

Thus he told a gathering of clerical leaders on 29 July, 1992.<sup>166</sup> In August Rafsanjani offered to resign following accusations of attempting to remove all hard-line clerics from power and undermining Khamenei's position. The faqih declined the offer, and the president subsequently pledged "full and total obedience" to the line of Ayatollah Khomeini. In September, it was reported that Khamenei and Rafsanjani had experienced a bitter falling out, after which the latter announced a shift away from his market-oriented economic policies.<sup>167</sup> The following month one of Khamenei's spokesmen, Ayatollah

Jannati, criticized a policy of repatriating skilled Iranians living abroad to help in rebuilding the economy, stating that

Iranian Muslim people did not make the revolution for land, bread, water or a better life, but only for Islam....The government is encouraging the corrupt Westernized Iranians...to come back and help create a better life for the people. This is surely a crime.<sup>168</sup>

The political power struggle was punctuated by violence around the country. Many cities experienced street demonstrations and riots in May, June, and August, including severe ones in Meshed, Arak and Shiraz. Fed by poor economic conditions and sparked by attempts of government forces to move squatters out of their slums, this was some of most extreme mass violence since the revolution.<sup>169</sup> There were more organized instances also, with bombs exploding in several cities, including one at the Behesht-e-Zahra cemetery in Tehran, where Khomeini is buried.<sup>170</sup> Though unclear whether these were the work of the Iraqi-supported Mojahedin-e Khalq, it was fairly obvious that they, like the demonstrations, were aimed at the government. Although the Mojahedin continues its campaign, the domestic unrest has apparently been effectively contained.

Though this appears to be a victory for the radicals, the signals remain mixed. As of November, 1992, some 100,000 highly educated technocrats had returned to Iran from abroad in order to help boost the flagging economy.<sup>171</sup> A bill was implemented allowing women to receive "wages in cash" from a husband who divorces them. The bill, seen as a major reform for women, had been stopped the previous year by the conservative Council of Guardians. In much of the country, there was continued, but slow, easing of restrictions on such everyday activities as music, dress, and entertainment.<sup>172,173</sup> The numerous economic changes sited above, especially closer industrial dealings with the West and currency reforms, are further signs of a rational relaxation of domestic policy.

It appears on the surface that Khamenei is firmly in control, but this cannot be said with certainty. It is likely that he rallied hard-line support in order to preserve his own power in the face of Rafsanjani's success at home and abroad. However, the crowd has long been a factor in Iranian politics, and it cannot be lost on the Iran's leaders that they came to power through domestic unrest. The economy has great potential, but it is also in serious trouble, and if it worsens, the unrest will surely grow. Furthermore, a large part of the world is moving rapidly toward greater social and economic freedom, including new nations on Iran's borders. Iranians undoubtedly know this and desire the same freedoms for themselves. In this environment, repressive government and dogmatic ideals cannot last long without some tangible measure of success.

Rafsanjani has the best chance to deliver this success, and with popular pressure on his side, reforms may continue to go forward. The presidential elections of June, 1993 were viewed as an important statement on the future political direction of the country. When elected in 1989 Rafsanjani was the sole candidate for president. In 1993, 128 candidates registered for the election<sup>174</sup> and three opposition candidates actually ran against the incumbent. Although limited in scope and very closely controlled, the campaign had mixed results. Although Rafsanjani won handily with 63% of the vote, one opponent received 24%. Though a landslide by Western standards, this was not the mandate expected. Additionally, voter turnout was low (56%) in a nation where mandatory voting is strictly enforced.<sup>175</sup> These indications can be taken as a sign of both wider political participation and of voter apathy and disenchantment with the regime. It must be noted that even refusal to vote is a vote of sorts. The real message may be that the Iranian people are concerned about their own lives and have little support for a divided and ineffective government. Whether this message carries any weight is difficult to say, but Rafsanjani and his pragmatist cabinet survived the election largely in tact and seem determined to push ahead with reforms. The current power struggles seem far from over, however.

## 2. Foreign Affairs

The international front has also seen changes within the past year. Iran's relations with the Gulf Arabs took a sharp down-turn in September, 1992 when Tehran prohibited movement of third-country nationals employed by the UAE to Abu Musa, and began constructing military facilities there. Iran has held the island, along with the Greater and Lesser Tunbs, since the Shah seized them in 1971. An agreement with Sharjah guaranteed the rights of UAE citizens who live and work on the island. In April, 1993, the Majlis passed a bill extending Iranian territorial waters to 12 miles, placing the islands inside this limit, while Iran's foreign ministry denounced the Arab League's stand supporting the UAE's claim to the islands.<sup>176</sup>

There were also problems farther afield. Algeria recently broke relations with Iran over Tehran's alleged support for the outlawed Islamic Salvation Front.<sup>177</sup> There was also increasing tension between Cairo and Tehran, as fundamentalist violence in Egypt increased dramatically. President Mubarak accuses Iran of supporting violent extremists from bases in the Sudan. Additionally, the Damascus Declaration, though never implemented, was seen in Iran as a renewed attempt by Egypt to interfere in Gulf politics and the balance of power there. The Rushdie affair, in which Tehran not only refused to rescind the fatwa sentencing the author to death but vowed to send agents to kill him, strained relations with Britain and the West in general. The hard-line clerics also alienated Iran from the United States when Ayatollah Jannati, Khamenei's mouthpiece, stated that "in preparation for the Third World War (between Iran and the West), Iran is activating its anti-Western cells all over the world."<sup>178</sup> Washington, alarmed by the radical turn and Iran's major re-armament program, moved to tighten sanctions on technology and critical materials. The new administration has taken a harder line than President Bush, with Secretary of State Christopher branding Iran an "international outlaw" in March, 1993.

In spite of this, Iran's international fortunes in other areas were more positive. In the face of the islands dispute GCC foreign ministers, convening in Abu Dhabi in November, could not agree on whether or not Iran was a real threat. Some openly favored distancing themselves from the Cairo-Tehran confrontation, backing off on the island issue and not being alarmist over Tehran's rearming.<sup>179</sup> Obviously the Gulf and the wider Arab world remain divided over Iran and other issues as well. At any rate, the dispute over Abu Musa was at least temporarily shelved when Iran restored the status quo in April (just after changing the territorial limit) and allowed all those previously expelled to return to the island.<sup>180</sup> Significantly, Russian Foreign Minister Kozyrev met with Rafsanjani in Tehran in March. The purpose of the visit was apparently to increase bilateral economic and strategic ties in order to strengthen stability in Central Asia. Kozyrev also said his task was to demonstrate Moscow's support for the president's reforms. "There is no doubt that Rafsanjani and the foreign minister, Velayati, are representatives of the moderate wing. They are trying to move away from tough Islamic fundamentalism. But it must not be forgotten that there is a second stratum, a shadowy stage on which completely different forces operate."<sup>181</sup> This statement sums up perfectly the current situation of Iranian politics.

It can be seen by the evidence offered above that the Iranian political situation is still in a state of flux. This is due to the ideological nature of the governmental system and the opposing political factions this has created. In short, the revolution is still going on.

Most observers agree that despite political in-fighting the Tehran government is stable and legitimate, and is not likely to be overturned in the near term. Opposition elements are too weak and marginalized and lack sufficient popular support to be a credible threat to the clerical regime. More significant is the regime's survival of a long and devastating war and economic isolation as well as the death of its charismatic leader and the subsequent peaceful transfer of power. This says a great deal of its strength and resilience in the face of overwhelming odds. It also signifies the strength of the Iranian nation and

culture, together and in concert with Islam, as a unifying and stabilizing force for the country. The government's realization of this and use of these elements is evidence of a return to political reality and more rational policies. "Iran's process of transferring power, its constitutional reform, and its increasingly more collegial and consensual politics and decision-making show that Iran's political system is in many ways more mature than those of many other Middle Eastern countries."<sup>182</sup>

The government's strength and legitimacy do not mean that it can remain stagnant, however. There are too many problems and contradictions for that. The political developments since 1979 also

point to fundamental weaknesses of the regime deriving from the contradictions and ambiguities inherent in its theological and legal foundations and the deep philosophical divisions within its leadership...to survive and prosper the regime must reform and adapt itself to the imperatives of running an effective government...in the process the regime must accept a dilution of its more revolutionary characteristics.<sup>183</sup>

The question is not whether the government will change but how it will develop and which way it will turn.

Still, the clerical leadership is far from unified and it is conceivable that there could be a violent change from factions within the government. This could be triggered by an external factor or unforeseen event, such as another war or devastating economic collapse, or an attempted takeover by either the moderate or radical faction which eliminates the other element. Such a takeover could either be successful or engender a backlash by the opposition, and may or may not be long-lasting. Given the regime's legitimacy and its continuing if halting moves toward moderation it is likely that significant external forces would be required to bring about such a radical change.

More likely the change will be evolutionary and non-violent in nature. This has already begun to occur as Iran slowly re-enters the world economic and political system. Revolutionaries cannot remain in power for long and still be revolutionaries. They have to accept cooperation and moderation to bring about positive results of nation-building and

maintain their legitimacy. Once gaining power they quickly become supporters of the status quo. Iran has not yet completed this evolutionary process, however, and may not for several years. Due to the opposing factions within the government, their relative balance and their different bases of support, this process is severely complicated. Moderation is likely to be a slow and drawn out affair, with many shifts in direction during that time. However, it could occur more quickly if the moderate faction were able to make a bold move to form a ruling consensus with significant popular support. What is clear is that the radicals have only their revolutionary and largely rhetorical credentials to stand on, and these are not enough to positively develop the Iranian nation. Therefore, the moderate elements must eventually succeed. The only question is how long and what form the change will take and how the United States can best influence and accelerate this process.

## VII. CONFLICT OR COOPERATION?

The events of 1988-1991 mark the most profound changes in the Middle East in a decade. These include: the Iran-Iraq cease fire of August, 1988; the death of Ayatollah Khomeini, the Soviet withdrawal from Afghanistan and the end of communism in Eastern Europe in 1989; the Gulf War of 1990-91; and the collapse of the Soviet Union in 1991. These events have had the following results: the end of communism as an expansionist ideology; elimination of an interventionist superpower on Iran's northern and eastern borders; ascension of a more pragmatic but divided leadership in Tehran; effective destruction of Iraqi political and military power, at least in the near term; heightened American political and military leverage in the region; the opportunity for Iran to rebuild a war-devastated nation; and the impetus for changing American strategy around the globe. Taken as a whole, these changes shift the regional balance of power in Iran's favor, put the Arab monarchies more firmly in the United States camp than ever, and clarify the political situation in the Gulf. With no direct military threats in Iraq and Afghanistan, the lines are clearly drawn between Iran and the U.S.-supported GCC states. The opportunity presents itself for each side to choose between conflict and cooperation.

### A. THE GULF WAR

The Gulf War is arguably the most *regionally* significant of the above events. The invasion of Kuwait reaffirmed the nation-state system and exposed Saddam Hussein's supposed protection of the Arab world against the Iranian threat as a sham. It also proved that the United States would go to war to protect its vital interests in the region, and that such a war would be waged overwhelmingly and decisively, thus removing any lingering doubts about American military power and political will.

Washington's huge display of military power and the certainty with which it destroyed Iraq's regional might produced a different awareness of what America can do. The perception changed to something that demanded more respect.<sup>184</sup>

Iran, with a front row seat for the conflict, could not fail to get the message.

By all accounts Tehran acted responsibly during the war, upholding the UN sanctions, observing strict neutrality and cooperating with coalition forces. Especially significant was Tehran's handling of the "defecting" Iraqi Air Force pilots, holding the airmen and aircraft, and not allowing them to participate in the conflict from Iranian soil. Iran also took in many Iraqi Shiite and Kurdish refugees who fled Iraq's internal strife immediately following the war, and accorded them good treatment. Though there were fears of Iranian adventurism in the form of either overt or covert support for Iraq against the common American enemy, this did not materialize. Instead Iran called for Iraqi withdrawal from Kuwait and was doubtless happy to see the reduction of Saddam's military accomplished in such short order - something Iran had been unable to do in eight years of fighting. While tacitly recognizing the necessity of American military action, Tehran did not wish to see an enhanced U.S. presence in the region.

While demanding Iraqi withdrawal from Kuwait, Tehran ...continued to express profound suspicions about U.S. objectives other than the eviction of Iraq from Kuwait and to insist on the withdrawal of U.S. forces from the region after Iraq's withdrawal from Kuwait. The Iranian leadership has not however, criticized Washington with the same rhetorical intensity...recognizing that the reduction of the Iraqi threat is in its strategic interest<sup>185</sup>

## B. OPENING THE DOOR?

Tehran gained considerable credibility with both the West and the Gulf Arabs due to its stance during the war. In light of this and the many manifest changes cited above, there appeared a chance for constructive engagement between Washington and Tehran. Indirect communication during the war had blossomed into something approaching a dialogue. The

two countries admittedly shared three common interests: containing Iraq militarily; preservation of Iraq's territorial integrity; and the creation of a post-war security structure in which Tehran plays an important political role.<sup>186</sup> Even before the conflict with Iraq was over, both President Bush and Secretary of State Baker alluded to the possible resumption of ties. The President stated that the United States harbors no animosity toward Iran and that Iranians should not be "treated forever as enemies" by the GCC states.<sup>187</sup> In a testimony before Congress on February 6, 1991, Baker "praised Iran for its conduct during the crisis and called it a major power in the Gulf that could play an important role in building a reinforced network of new and strengthened security ties in the region."<sup>188</sup>

Iranian leaders made similar verbal moves. At a conference of Western, Asian and Arab oil industry officials, including the Prime Ministers of Kuwait and Saudi Arabia, at Isfahan in May, 1991, Rafsanjani, Foreign Minister Velayati, Oil Minister Agazadeh and Finance Minister Noorbakhsh openly sought increased ties with the industrialized world and the Gulf states. Rafsanjani stated

The concluding years of the twentieth century are marked by world events that have replaced the previous bipolar system by a new order. If this order is to persist, cooperation should replace confrontation.<sup>189</sup>

According to Velayati, "From a global perspective, a new order is gradually superseding in which economic considerations overshadow political priorities."<sup>190</sup> The message was clearly that the future well-being of Iran is tied to stable oil prices and economic partnership with oil producers and consumers. Added Noorbakhsh, "now we are interested in economic cooperation in the region and with the world instead of military confrontation."<sup>191</sup>

This rational outlook appeared to be more than just rhetoric. There were signs of liberalization in Iranian society and government during this same period, which led to the belief that Rafsanjani, as leader of the pragmatists, had succeeded in consolidating power and felt safe in making changes. Women, while still required to dress modestly and cover

their hair, had begun using cosmetics. Also, the "maghnaeh", a traditional black head scarf, had become "outmoded" and was no longer sold by some shops in Tehran. During Passover, Tehran televised a Jewish service and a Seder, which had not been done since the revolution. The government instituted a birth control program to curb the country's 3.9 percent population growth rate. Under the program, some 70,000 women had been voluntarily sterilized by early 1991.<sup>192</sup>

Changes in government policy were also significant. The re-establishment of relations with Egypt and the GCC states; approval of a World Bank loan for \$200 million, the first since 1979; and diplomatic efforts which resulted in release of Western hostages held by Hezbollah were all positive signs of normalization. In a major ideological and political shift, there were moves to merge the Komiteh with the regular police and the Pasdaran with the regular military forces. These two organizations had become institutionalized as enforcement arms of the ruling clerics and guardians of Khomeini's brand of Islam in the chaotic days following the Shah's ouster. The dissolution of these politicized paramilitary organizations would be a major step toward easing revolutionary zeal and moving toward a more rational system.<sup>193</sup> Although the merger was subsequently put on hold, there is closer cooperation between them and the regular forces, and the merger may gradually become an accepted fact.

The window of opportunity for U.S.-Iran relations was re-opened by the Gulf War. Saddam Hussein's invasion of Kuwait shattered the de facto Western-supported Arab security system of the Gulf and redrew the political map of the region. While the American position with the Arab monarchies was indelibly strengthened, the conflict also brought a chance for new ties with Iran. Initial moves along this line were undertaken even before the war's end but they never came to fruition. In Iran, the increasing ties to the West began to undermine the radical's position and engendered a strong backlash against the moderate elements. The radical moves in turn served to distance the United States, while greater concerns over the Arab-Israeli peace negotiations, events in Moscow and

domestic issues overshadowed the pursuit of ties with Iran. In spite of this the post-war strategic situation has not been fundamentally altered. The current balance is tenuous and the stakes are sufficiently high to make a Washington-Tehran dialogue worthwhile to both sides.

## C. ALLIANCES

If the United States is to influence Iran and promote any kind of stability in the Gulf, it must work from a position of strength. We can work neither unilaterally and risk being seen as an imperialist power, nor secretly and risk the appearance of undermining allies. Instead we must cooperate with our allies in the region. Currently, America's most important and reliable allies are the states of the Gulf Cooperation Council. The U.S. must work for cooperation by exploiting its strong ties with these states. How these alliances are used will shape the course of stability in the Gulf region and are the keys to American success.

### 1. The Gulf Cooperation Council

The Gulf Cooperation Council is arguably the most homogenous, and has the potential to be the most successful, of the many international organizations in the world today. The six member states are extremely similar in political systems, economy, culture, history, religion and, of course, language. They face the same external and internal problems and same prospects for the future. Their many similarities make them a natural grouping and give the organization a great deal of legitimacy, as do their careful guardianship of Islamic tenets and cautious approach to Western culture. They also hold much of the world's proven oil reserves. As such, they are the most important U.S. allies in this vital area and the foundation on which American policies must be based.

Though not specifically, by the charter, a collective security organization, the GCC functions as such for all intents and purposes. However, the member states have two major problems in this respect - they are lacking in indigenous population and are dependent on the United States for security against external aggression. The former prevents these states from ever fielding a ground force with the capability to fend off any potential regional aggressor, while the latter provides numerous political problems.

Though the Gulf War left the GCC more openly dependent on American protection than ever, this dependence is accompanied by increased political changes within these states and decreasing U.S. military force structure. Additionally, any future regional aggressor surely learned from the war and is unlikely to "pull a Saddam". Tomorrow's invader will not stop halfway and wait for the U.S. to build offensive striking power, so that local forces must take the brunt of the initial battle. With the need to keep reactive ground forces over the horizon and a shrinking military budget of its own, the United States must work very carefully to strengthen the GCC's military capabilities.

While the GCC is a fairly homogenous grouping, it must also be recognized that they are sovereign nation-states which act in their own self-interest and perceive issues from their own unique vantage point. They have differing views on American cooperation and access, the Palestinian question, and relations with Iraq and Iran. There are also a number of unresolved disputes among them, and the smaller states are extremely wary of Saudi Arabia. Like their own internal societies, relations among the GCC states are finely balanced on a variety of issues. While American involvement must be very cautious, our support for their defense against external aggression must be unequivocal. At the same time, the GCC must realize that quality of weapons, training and coordinated operations is more important than quantity or monetary value of weapons purchased. Above all, massive arms purchases and increasing military budgets with little ability to absorb this equipment are not, and cannot ever be, the answer to their defense requirements. Instead, such a course could serve to disilibrate their societies, undermine the governments'

legitimacy and contribute to a regional arms race which they cannot win despite their wealth. Therefore, the United States must carefully curb arms sales while increasing training and joint operations, promote cooperation with other states of the region, and quietly encourage the kind of political and economic liberalization that will keep these nations stable and viable allies.

It can be seen that while the GCC is a successful and unified organization when it comes to security and that these nations are vital allies, they do not have the capability to guard their own independence or the security of the Gulf. They also face domestic political problems in relying heavily on America for their defense. They realize the unique and complex political, ethnic and religious ties within the Gulf states, finely balanced strategic situation and the need for increased economic and security cooperation. In promoting regional stability, these states should form the basis of U.S. - Iranian and greater multi-lateral cooperation. The U.S. should neither simply support regional security pillars - which could collapse from within or without or threaten the peace themselves - nor fail to pursue broader security ties due to the political fears or ambitions of allies. Rather, America should use the GCC, already a successful cooperative organization, as the agent through which to attempt confidence building measures with Iran. The Arab monarchies understand the situation far better and have a greater stake in regional security than does the U.S. The larger interests of the GCC also converge with those of the U.S. and Iran, and must form an integral part of American strategy.

#### D. ASSESSMENT

In assessing Iran's current situation and capabilities the following trends emerge. There is a building but still recovering military, gaining sophisticated conventional weapons and possibly weapons of mass destruction, but not designed for regional offensive operations and possibly hurt by recent economic problems. The economy is struggling to recover

from war damage and centralized mismanagement. Though oil production, industry and agriculture are improving, unemployment and inflation are high and likely to increase, thus feeding domestic unrest. Bold recovery steps have been taken, but the results are not yet in and could go either way. Politically there is a deep division, with confrontational rhetoric from the radicals while the moderates still attempt reforms. The hard-line clerics are loath to let go of the ideological stance from which they derive their power and legitimacy, yet they surely see the necessity for positive steps of nation-building. Whether the radicals are firmly in control, some sort of deal has been struck, or the power struggle continues is a matter of conjecture, and conflicting signals continue to be sent. Perhaps most significantly, the political contradictions arising from the unique Islamic system of government will eventually force the regime to moderate its stance on many key issues. However, this system may follow an uncertain course and take several years to evolve.

The result is that Iran has great potential, growing capabilities and serious problems. This is not to say that Iran is not a threat, but that they do not currently present an overt threat of military aggression, especially if the United States continues its deterrent role. However, Iran possesses a geo-strategic position, significant population, industrial capability and growing technical capacity. It also has legitimate interests in the region and will continue to work toward what it views as its rightful position. Due to the dual, yet pluralistic political system and serious domestic problems, the Iranian situation is difficult to understand and predict. Yet this is precisely why the United States must recognize these interests and problems and formulate a strategy for dealing constructively with Iran. The key will be the state of the Iranian economy, the domestic political situation, and the American ability to understand both.

There is one other key issue which is pertinent to assessing Iran's role in the global and regional system: Is Iran a status quo or revisionist power? A cursory glance at the regional situation will suffice to answer this. The Soviet dissolution is obviously a major cause of uncertainty. Iraq is defeated, semi-divided, and under international economic, political and

military pressure. Afghanistan continues to be convulsed by civil war, as does Georgia. Armenia and Azerbaijan are still at war after several years. The entire Transcaucasus and Central Asia are rife with potential instability, as is Russia itself. India is experiencing religious strife and the India-Pakistan conflict over Kashmir intermittently threatens to explode. Iran's own ethnic minorities and the presence of nuclear weapons and major external military forces in the region only exacerbate this situation.

In light of the numerous centrifugal forces and Iran's domestic political and economic problems cited above we may conclude that it is in the interest of both Tehran and Washington to increase stability in this troubled area. Far from being a threat, Tehran is fortunate to be as stable and successful as they are. Though it may not be their ultimate goal, Iranian leaders may well desire maintenance of the status quo for the present.

If we accept the fact that U.S. and Iranian interests coincide and that it is in American interests to see a stable and moderate Iran, the question then becomes "How can the U.S. best influence the moderation of the Tehran government and promote the stability of the region?"

## VIII. CURRENT POLICY AND MAJOR ISSUES

### A. DUAL CONTAINMENT?

On May 23, 1993 Washington announced a policy of "dual containment" of both Iran and Iraq. This officially marked a reversal of U.S. attitudes, which had signalled a possible rapprochement with Tehran following the Gulf War, and the beginning of a new, more aggressive stance. The policy was officially due to signs of cooperation between the two nations, specifically the Iranian purchase of Iraqi oil and steel in violation of UN sanctions.<sup>194</sup> While this may be quite valid, the policy was also a reaction to the extremist sabotage of improving relations that had begun the previous year, and to the Israeli- and Egyptian-led finger-pointing campaign which painted Iran as the new threat to American interests in the Middle East. Whatever the motivation, a strategy of containment (reminiscent of the Cold War and the Soviet threat) would seem to indicate an aggressive policy of isolation pursued with international consensus against a nation which is deemed to be a major threat to world peace and stability. Such actions were possible against the Soviet Union in the bi-polar era and are still in place against Iraq more than three years after its wanton aggression in Kuwait, but no such international coherence has emerged in the case of Iran.

As of this writing then, a "containment" policy is not in effect. The actual policy was articulated by Undersecretary for Near East and South Asian Affairs Edward Djerejian before the House Foreign Affairs Committee on July 27, 1993. In his testimony Mr. Djerejian enumerated five areas of Iranian behavior to which the United States objects and seeks to change. These are addressed item by item below.

## 1. Weapons of Mass Destruction

First is Iran's quest for nuclear and other weapons of mass destruction.... We are particularly concerned with preventing Iran from acquiring the means to produce and deploy nuclear ...and other weapons of mass destruction, as well as ballistic missiles.<sup>195</sup>

This is certainly a cause for concern. However, Iran is hardly the only non-superpower or non-superpower ally to have acquired or attempted to acquire nuclear weapons and ballistic missiles. Unlike some nations which have or are generally believed to have these capabilities, such as Israel and India, Iran is a signatory of the Nuclear Nonproliferation Treaty. Additionally, they have recently passed IAEA inspections on their nuclear power and research programs, and the inspectors concluded that Iran had no weapons programs under development.<sup>196</sup> These findings may be questionable, however, especially in light of the surprisingly advanced stage of Iraq's program and the difficulty in making accurate appraisals of it. Iran does continue to build nuclear power programs with which it receives substantial assistance from China,<sup>197</sup> and already possesses nuclear reactors of sufficient capacity to produce weapons-grade material. There are also unconfirmed reports that Tehran may have already acquired tactical nuclear weapons from Kazakhstan.<sup>198</sup> However, U.S. intelligence estimates that Iran cannot develop indigenous nuclear capabilities without substantial outside assistance before the end of the century.<sup>199</sup> As with almost every other issue concerning Iran, the answer probably lies somewhere between the IAEA and the CIA reports.

Whatever the current situation, it is likely that Iran is pursuing a nuclear weapons capability. It is also likely that if it gains such weapons Tehran will use them for political prestige and leverage instead of to attack its enemies. The easily transportable tactical weapons would pose a much greater potential for limited action than strategic ones. However, any nuclear capability or any type of potential use of it would be detrimental to Western interests.

While the U.S. is correct to oppose the acquisition of mass destruction weapons by Iran or any other state of the region, that is not the only question here. As alluded to above, many nations attempt to gain such capacity for many reasons. Can Iranian attempts to do so realistically constitute internationally objectionable behavior? If so, numerous states fit the criteria, yet the U.S. carries on productive relations with them for other reasons than opposition to nuclear proliferation. While this is the most valid behavior to object to, it does not in itself constitute a reason for conflict.

## 2. Terrorism

Second is Iran's continued involvement in terrorism and assassination worldwide....Until it abandons support for terrorism and terrorist groups, we will maintain existing unilateral counterterrorism sanctions on Iran.<sup>200</sup>

Much has been made recently about Iranian support for terrorist and extremist Islamic fundamentalist groups throughout the Middle East. Tehran has been accused of sweeping support for Islamic opposition groups in Algeria, the Sudan, Egypt, Israel and Lebanon. Yet the only place where Iran is known with certainty to be involved is Lebanon, where it supports the Shiite Hezbollah guerillas. It must be recognized that all the nations that claim Iranian sponsorship have serious internal problems of their own. Due to political, religious and ethnic differences and problems of geography and finance, Iran has little influence in any place except Lebanon, where the situation is admittedly unique and complex and a substantial Shiite population exists. The problem is actually one of regimes which are unable to handle domestic unrest and need to find a scapegoat. With little hard evidence and the divisions inherent in the Muslim world, this is a hard story to swallow.<sup>201</sup>

It is true that Iran carries on its own brand of terrorism directly. This normally takes the form of assassinations of exiled political opposition leaders. Most notable of these was the killing of former Prime Minister Shapour Bakhtiar in Paris. These politically motivated killings are certainly not calculated to make friends in the West and can be described as terrorism of a sort. They are not, however, strictly random acts of violence

perpetrated against innocent civilians for political ends. As far as can be determined, no non-Iranian nationals have been targeted by Tehran for some years. This does not excuse the recent murders, but it is a critical distinction when discussing state-sponsored terrorism. While counterterrorism sanctions are perfectly valid, it is not clear whether the current situation is sufficient to warrant conflict between the U.S. and Iran.

### 3. Arab-Israeli Peace Process

"The third area of Iranian behavior to which we strongly object is its support and advocacy of violence to stop the Arab-Israeli peace process."<sup>202</sup>

The Arab-Israeli conflict and attendant Palestinian question form a pervasive political issue in the entire Muslim world, and, in some cases, a military and economic issue as well. Problems of Palestinian refugees and expatriate workers and the Arabs' humiliating military defeats by Israel are keenly felt, as is America's wholehearted support for the Jewish state. Though Arab leaders may give more lip service than actual support to the Palestinian cause, they realize that their failure to gain a just solution to the problem creates a ready target for political opposition groups. This failure, combined with the rise of indigenous Islamic activism, gives Iran a ready-made situation with which to assert their religious and political leadership of the Muslim world. Furthermore, the clerical extremists must oppose Israel in order to affirm their legitimacy, bolster popular support and divert attention from Iran's own internal problems, which are largely of the extremist's making. Yet as discussed earlier, Iran's influence is mainly limited to Lebanon, an area which is directly controlled by Syria. Therefore they have relatively little ability to stop the peace process if the major parties are determined to move it forward.

American politics are also involved as domestic pressures demand unequivocal support for Israel. Yet with the Cold War over, Israel is less a strategic ally than it ever was. Hence Israeli attempts to explain their own internal troubles and make a new enemy are calculated to garner continued U.S. support. In spite of domestic political realities, the

U.S. must realize that only a solution to this conflict, or at minimum the appearance of being a truly honest broker, can ease this overarching source of regional tensions and give credibility to the U.S. position in the region.

The recent Israeli-PLO accords are a tremendous step in the right direction. There are still many problems and it remains to be seen if the parties can carry through with the agreement successfully, and if other nations, particularly Syria, will come to terms. However, perhaps the U.S. can learn something from this agreement. In spite of their mutual differences and distrust, Rabin and Arafat saw that it was in their common interests to make amends. Their bold move undercut the extremist elements on both sides and gained popular support. Similar moves are needed to overcome the confrontational situation in the Gulf.

#### **4. Subversive Activity**

"The fourth aspect of objectionable Iranian behavior is its threats and subversive activities against its neighbors."<sup>203</sup>

There has been little subversive activity by Tehran against its neighbors since the end of the Iran-Iraq War in 1988. The GCC states, including Saudi Arabia, have either maintained or re-established formal relations with Tehran and economic cooperation is increasing as well. While Bahrain and others may be subject to occasional rhetoric and territorial disputes, this is not unusual for the region. This is essentially a non-issue at present.

#### **5. Human Rights**

"Fifth is Iran's dismal human rights record, which is a matter of continuing concern."<sup>204</sup>

Although Iran cannot meet Western standards in this category, it certainly is no worse than most other nations of the region, including Israel and Egypt. In some areas, such as women's rights, it is more advanced than many. This is also a non-issue in light of more important geo-political concerns.

## B. THE REAL POLICY

Now that each area of objectionable behavior has been examined, it is necessary to clarify the actual policy. According to Undersecretary Djerejian's statement, it is not one of containment as is that imposed on Iraq. Rather it is merely one of sanctioning sensitive technology exports and attempting to gain multi-lateral consensus on such sanctions. It is the administration's position that comprehensive sanctions of critical material and technology can effectively alter Iranian behavior. Also according to Djerejian, the policy is not one of seeking to overthrow the Iranian government or dictate the form of that government. Additionally, the administration claims to be open to a dialogue with Iran with no preconditions.

Obviously this policy is fundamentally different from that of "containment" and represents a partial re-assessment of the situation by the administration. It may be that the Iranian threat is not as real as was originally thought, and that pursuing such an aggressive policy is not feasible. This is primarily due to divergent interests on the part of Western Europe and Japan on one hand, and the United States on the other, and to the failure of Iran to present a broad-based, concrete threat to world order. The Europeans and Japanese are heavily dependent on Gulf oil and are deeply invested in Iranian oil, gas, petrochemical, transportation and industrial development projects. Tehran's largest trading partners are Germany, Japan, Italy and France in that order.<sup>205</sup> Tehran badly needs Western capital and technology to rebuild and develop their country, and the industrialized nations see many long-term investment opportunities in Iran. Without the need for American defense against the Soviets, our allies are free to pursue the almighty yen and deutschmark without regard to U.S. political sensitivities. Neither is American business immune to these incentives. United States are increasing rapidly and U.S. oil companies are, collectively, the largest buyers of Iranian crude (marketed overseas due to the U.S. embargo).<sup>206</sup> While Iran can be considered a bad risk, their recent economic reforms are intended to bolster foreign investment. These have thus far succeeded, with both

European and Japanese banks and governments extending Iranian credit to avoid default.<sup>207</sup> In spite of the G-7 summit's political statement mentioning Iran,<sup>208</sup> there has been no action from our allies on implementation of a containment policy.<sup>209</sup> Obviously, with so many conflicting signals and interests in today's fluid strategic environment, forging a consensus on Iran is going to be difficult.

Even if an international consensus on the current policy is reached, enforcing it will prove quite difficult. In an age when multi-national corporations wield many of the same capabilities of governments and are concerned more with profits than politics, some will surely find a way around sanctions if the price is right. This was true even during the Cold War, and the situation is much more fluid today. Unofficial transfer of militarily useful goods and technology occurs on a regular basis, often being transhipped through third-party nations or companies. While not impossible, enforcing such sanctions will require an enormous effort and total cooperation by governments and industries around the world. While much can probably be done if a consensus is reached by the major industrialized nations, the effectiveness of such a course is still questionable.

Even if successful, the critical sanctions policy may not alter the Iranian behavior the United States finds so objectionable. If truly bent on a confrontational course, the Tehran government may modify its behavior long enough to gain access to the goods, technology and capital it needs and then resume its radical posture. This is precisely what happened in the Iran-contra affair. Another possibility presents itself, that of failure of this policy to modify Iranian behavior at all. Even with critical sanctions effectively in place, Tehran may not be damaged enough economically or politically to force moderation. Without blocking Iranian oil from the world markets it is possible that they can continue in their current condition for some time. Instead of changing Iran may become more self-sufficient and more radical, a dangerous combination. While political moderation is eventually likely, this could take years. It is in U.S. interests to accelerate this process. Sanctions may not do the job. The West's experience with Iraq should be instructive in this regard.

## **IX. UNITED STATES POLICY OPTIONS**

Iran is the dominant state in the Gulf region due to its population, resources, strategic location, and economic and military potential. Yet its radical political system, ideological stance and enmity toward the United States have made comprehensive policy formulation difficult for American administrations, to say the least. Yet the changes in world and regional systems in the past few years have increased Iran's significance and made such formulation even more imperative. The current policy of enforcing critical sanctions is not yet in place and may not work even if implemented. Due to the delicate strategic balance in the Gulf and Iran's threat potential, the United States has a choice of either aggressively confronting Tehran or making bold moves to ease regional tensions. Ignoring Iran as unimportant or adopting halfway measures will not help. To this end, some alternative policy options are offered below.

### **A. ACTIVE CONTAINMENT**

The U.S. should force Iran to change by isolating the country economically and militarily.

If Iran really is a major threat to U.S. interests in the region America should pursue an aggressive policy of isolation against Tehran. This should be comprised of a total economic embargo enforced by military means, including strikes on military installations, oil facilities and nuclear plants if necessary. These measures should stay in place until the government undergoes a major change or agrees to abandon all internationally objectionable behavior.

Although this may be a conceptually easy solution to the "Iran problem", it is not deemed feasible or necessary. Without the presence of the Soviet threat it will be difficult to form a consensus when other nation's interests are not directly threatened. In fact it would be detrimental to many nation's interests to pursue such a policy. Due to widespread instability in the region, particularly the Caucasus and Central Asia, it is doubtful that Iran could be effectively isolated in the northern and eastern border regions. Such aggressive actions could conceivably push Tehran and Baghdad together, vastly compounding the problem. Asking for broadly enforced economic sanctions and military measures now is not realistic unless Tehran commits an overt act of aggression which puts it on the pariah list like Iraq.

Even if feasible, this strategy could be counter-productive. Deeper isolation would hurt the Iranian people and economy, strengthen the radicals by giving them a credible target for their rhetoric, and drive the government to continue extreme measures such as terrorism and possible use of weapons of mass destruction. It is also conceivable that an aggressive containment policy could force a violent change in the Tehran government. Due to regional instability and political and ethnic factionalism in Iran itself, violent change may have unknown and lasting consequences for the nation and the region as a whole. Such events would be impossible to control and could lead to dangerous proliferation of weapons into unknown hands. Despite appearances, Iran may actually be a somewhat stabilizing influence in an otherwise troubled area. Upsetting this status quo could ultimately prove detrimental to American interests.

Finally, if such a strategy was adopted America would have to be prepared to conduct a total armed conflict and to follow that victory with economic and political reconstruction. Such a campaign would be extremely costly as well as domestically unpopular. If the United States is not prepared to bear the costs of this strategy, as it was not in Iraq, it should not be undertaken.

## B. UNCONDITIONAL ENGAGEMENT

The West should open to Iran economically and politically as the best way of strengthening the moderate factions.

This is largely the European/Japanese view, and it is not without its merits. The argument is that open engagement strengthens the pragmatists by improving the economy and thereby their popular support base. A friendly and helpful West, healthy economy, stable regional situation, significant popular support and exposure to Western influence could enable the pragmatists to overcome the radical factions and speed Tehran's moderation. Engagement would also allow increased dependence on the West, which the radicals do not want. This could also loosen their hold on power.

The counter-argument to this is that giving Tehran what it wants plays into the hands of the hard-liners, rewards extremism and will have no effect on behavior. Additionally an improved economy could be used to continue threatening activities. Recent assassinations on European soil is cited as a failure of their current engagement with Tehran.

Both of these arguments are probably valid to some extent. With the radicals still holding the power that they do, engagement could result in an improved economy and stronger nation with no political moderation. However, an important point needs to made here. Engagement with Europe does not matter politically to Tehran. It is the United States which is important. Economic issues aside, there can be no diluting of the extremist position while the U.S. and Tehran remain at odds. A cooperative America would remove the radical's favorite target and completely undermine their political position. One thing is certain - Western engagement will not work if the United States is not involved. Only Washington can make the difference here.

## C. REALISTIC ENGAGEMENT

The United States should engage Iran politically and economically based on common interests while attempting to limit the proliferation of weapons and technology and the build-up of conventional military forces.

This approach would recognize that both Iran and the United States have converging strategic and economic interests and would put aside political differences to jointly pursue these interests. Practical steps in this process would be as follows:

1. Continue to work toward G-7 consensus on sanctions of sensitive material and technology. To be a valid and workable measure, the focus would have to be widened to include all states of the Gulf, including Saudi Arabia.
2. Lift restrictions on non-critical items of trade and aid (such as oil, commercial aircraft and World Bank loans) and thaw Iranian assets still frozen in the United States.
3. Continue to aggressively punish acts of international terrorism and make it clear that such acts will not be tolerated in the future.
4. Engage Iran in a dialogue on security in the Gulf, preferably working through the GCC. Such a dialogue would recognize both American and Iranian rights in the region and the need to de-escalate tensions.

Opening to Iran economically to improve their oil production, industry, agriculture and transportation would promote the interests of all parties involved. A healthy Iranian economy and the improved standard of living, education and opportunities which would accompany this would work to accelerate Iran's political freedom and moderation.

Increased cooperation and mutual dependence of the West, Iran and the Gulf states would also result and increase the stability of the region. If the pragmatic factions of Iranian leadership could show positive results of nation-building and cooperation with the West, the extremists would be left with little but inflammatory rhetoric and no one to direct it at.

The efforts to limit access to weapons and technology are extremely important not only

in regard to Iran, but to all nations of this volatile region, from Kazakhstan to Yemen and Israel to Pakistan. If the United States is serious in promoting security and stability in the Middle East, it must attempt to limit the destabilizing access to weapons and disequilibrating military build-ups that have characterized recent years. Washington, as the only remaining superpower, has an opportunity to do this but it can only succeed if such controls are applied equally to all regional states. Only in this way can a consensus be gained with our major allies and American credibility and intentions be clear and unquestioned. If it is done in a confrontational sense or to strengthen one nation against another, these efforts are doomed.

A security dialogue with Tehran is vitally important to the overall effort outlined above, and could be the first step toward more open and productive relations and more stable and long-term U.S. influence in the region. This could be a bi-lateral effort at first, possibly with the Swiss, one of the Gulf states, or the Germans or Japanese as intermediaries. It should not be done covertly, however, to avoid undermining the confidence of our Arab allies. After initial talks it could be widened to include all of the GCC states and possibly Yemen and Pakistan. The latter two are important because they have enough concerns and interests in common with the GCC to warrant inclusion, yet, as "extra-Gulf" actors they serve to balance the group and shift the focus away from an exclusively Gulf orientation and its diametrically opposed attitudes. Additionally the Pakistanis would serve as another non-Arab nation to shift the focus away from an Arab-Persian confrontation. This could provide a forum for meaningful dialogue and eventually foster cooperation on security issues of common concern, including arms control, border disputes, oil drilling and water rights, military exercise notification, refugees, immigration, law enforcement, and disaster relief. The main point, however, is that an inclusive security network overseen by the United States is necessary to de-escalate regional tensions and bolster the delicate balance that currently exists. This in turn would contribute to regime legitimacy and internal stability of regional states and enhance economic development as well. If pursued

comprehensively with non-proliferation efforts and economic cooperation this could serve to increase regional stability, which is ultimately in United States' interests.

## X. CONCLUSION

The United States is a maritime power whose strategy is based on maintenance of stability in areas of vital interest and accepted dependence on, and defense of, a system of trade, communication and foreign resources. This strategy of access is more economically, militarily and politically cost-effective than direct control of resources and territory.

America's vital interest in the Gulf is in promoting stability and security of the region and ensuring the continued flow of oil at reasonable prices. Thus, the American objective is in deterring aggression and promoting increased cooperation. While America holds the predominant military power and can effectively deter overt aggression, such power is inadequate to ensure our allies' internal stability or to control the sources of conflict endemic to the region. While the U.S. must continue its military presence, this alone cannot safeguard American interests. Furthermore, the United States military drawdown and an unstable world situation makes long-term, large-scale military presence somewhat questionable. Assuming that American interests will not change but overall force structure will, and given the delicate balance of power currently in effect, promoting cooperation and diffusing tensions becomes more important now than ever before.

Iran is the dominant regional actor due to its significant population, cultural heritage, economic potential, strategic location and significant oil reserves. While a nation of fundamentally continental orientation, it cannot be considered a continental power in the classic sense. Although striving for self-sufficiency, Iran is also dependent on international trade and communications. It holds significant resources of its own and historically tends to be a status quo vice a revisionist power over the long term. Direct territorial aggrandizement is not its objective. Still, with its considerable resources, industrial capacity and growing technical capability, Iran has a certain threat potential and should be dealt with constructively. Iran's perspective is that it is at the heart of the vital southwest Asian region

and that the Iranian nation has the legitimate historical and cultural right to dominate this area. While Iran has long been frustrated in exercising this right, the dramatic changes of recent years have presented Iran with a new opportunity to achieve its hegemonic aspirations. If in fact this goal can be accomplished and how it will be pursued is problematic. A key question is how Iranian interests and objectives coincide or conflict with those of other regional powers, especially the United States.

American relations with Iran have historically been dominated by strategic interests, both in containing Soviet expansion and ensuring the security of the Gulf. This strategic relationship collapsed with the revolution, and economic interests have become increasingly important. However, the sweeping changes of recent years have fundamentally altered the regional balance of power and dramatically increased Iran's significance so that it can no longer be ignored or isolated. This situation presents the United States with an opportunity instead of an obstacle. Though Iran has the potential to be a threat to American interests in the region, this potential has not yet been realized, and cannot be as long as American power is preeminent. This must be kept in perspective. As was true under the Shah, Iran cannot dominate its relationship with the United States unless Washington allows it. Holding up Iran as a threat to the United States merely plays into the extremists' hands and enhances their prestige. Iran is by no means a world power capable of threatening the order imposed by the sole remaining superpower. America is obviously the dominant power and can decide which way the relationship will turn. In spite of political differences, American and Iranian strategic interests are basically the same. It is up to the U.S. to take advantage of these convergent interests.

Both the United States and Iran are presented with a window of opportunity by the Soviet collapse and defeat of Iraq. The U.S., able to deal from a position of overwhelming military strength, should begin meaningful dialogue among the several nations of the region in order to promote an inclusive regional security apparatus. A significant part of any lasting security structure in the Gulf is the Iranian role and how Iran is engaged by the other

Gulf powers, particularly the U.S. Will this engagement be conflictual or cooperative? No one will argue that U.S.-Iranian cooperation is more desirable, but there are admittedly problems with this approach. Not least among these are the issues of state-sponsored terrorism, possible acquisition of nuclear weapons, and the deep scar left on the collective American psyche by the embassy hostage crisis. While these areas must certainly be dealt with, both governments must realize that it is in their mutual interests to avoid confrontation. Most importantly, the U.S. must understand that there is a factionalized power structure in Iran, shrug off the radical war of words and concentrate on what is done rather than what is said. The U.S. routinely supports non-democratic governments, including Islamic ones (Saudi Arabia, Pakistan), when it suits our interests with little regard for human rights or democracy. We need to acknowledge this, put aside idealistic requirements and deal pragmatically with Tehran.

A strategy of constructive, but realistically cautious, engagement is recommended for Iran. A meaningful dialogue on arms control, regional security and economic assistance could be first steps toward improving relations. Outside influence and cooperation from the West would strengthen the moderate factions of government and assist popular pressures for political and economic reforms. Diplomatic engagement and cooperation, vice isolation, is a necessary step to controlling the arms build up, particularly the spread of weapons of mass destruction. Political and economic pressure can also be applied to stop the support of terrorism by Tehran, while terrorist organizations themselves are dealt with directly, either by the U.S. or our allies.

Due to Iran's position and potential, there can be no true security of the Gulf without Iran being involved. We may either aggressively confront the Islamic Republic or attempt to cooperate with them under certain conditions. Ignoring Tehran or adopting halfway measures which are politically palatable but ineffective will not help the situation. While the United States military will continue to be the guarantor of Gulf security for the foreseeable future, a U.S.-Iran security dialogue, pursued in conjunction with the GCC and

possibly other states as well, could create a regional consensus which would enable American policy to be implemented in a comprehensive manner and would help to safeguard the interests of the U.S. and the other states involved while de-emphasizing the military role. This would be a first step toward promoting stability and security of the area, which is arguably America's number one interest.

## APPENDIX A

### IRANIAN ARMED FORCES (see Note 1)

<u>Personnel</u>	<u>Regular</u>	<u>Reserves</u>	<u>Total</u>
Army	300,000	350,000	650,000
IRGC	170,000	895,000	1,065,000
Basij	50,000	-	50,000
Air Force	35,000	-	35,000
Navy	18,000	-	18,000
<b>TOTAL</b>	<b>573,000</b>	<b>1,245,000</b>	<b>1,818,000</b>

<u>Army</u>	<u>Divisions</u>	<u>Brigades</u>
Infantry	7	-
Mechanized	1	-
Armored	4	-
Special Forces	1	3
Airborne	-	2
<b>TOTAL</b>	<b>13</b>	<b>5</b>

### Equipment.

<u>Tanks</u>	<u>AFV/APC</u>	<u>Artillery</u>	<u>Helicopters</u>
700 MBT	750	1,300	100 AH-1J attack
40 Light			31 CH-47 transport 100 light utility

Note: Main Battle Tanks are mixture of Soviet/Chinese T-54/55/59/62 and some T-72; U.S. M-48/60; British Chieftain. Light tanks are British Scorpion. APCs are also a mix of Soviet BTR-50/60, BMP-1 and U.S. M-113.

### PASDARAN.

Ground Forces. 150,000 personnel organized into 11 regional commands, 24 infantry divisions, 4 armored divisions.

IRGC is loosely organized into battalions which operate semi-autonomously and are administratively grouped into the above divisions. Also included are numerous independent brigades with special functions (armor, paratroop, special forces air defense, etc.). Primarily engaged in internal security and border guard duties, the IRGC may serve with the army or independently.

Naval Forces. Some 20,000 Pasdaran personnel operate in a naval role, mainly from islands and oil platforms. They operate lightly armed speedboats, coast defense artillery and Silkworm missile sites. Currently under joint command with the regular navy.

Basij. The Basij is controlled by the Pasdaran and when mobilized are organized into 300-350 battalions equipped with small arms only. They currently fulfill a political-ideological role rather than a military one.

Navy

Submarines	2 (1 on order)
Destroyers	3
Frigates	5
Patrol Craft	33 (10 missile craft)
Landing Craft	26 (13 hovercraft)
Mine Warfare	3
Auxiliaries	14
Armed Speedboats	40 (IRGC operated)
<u>TOTAL</u>	<u>126</u>

Air Force (see Note 2).

Ground attack	130 (60 F-4, 60 F-5, 10 SU-24)
Fighter	102 (60 F-14, 30 MIG-29, 12 F-7)
Maritime	6 (5 P-3F, 1 C-130)
Reconnaissance	8 (5 RF-5, RF-4)
Helicopters	400
<u>TOTAL</u>	<u>646</u>

Note 1. Data in these tables is from The Middle East Military Balance, 1989-90, Jerusalem Post Press, pp.218-224; Jane's Fighting Ships, 1992-93, Jane's Information Group Limited, pp. 293-294; The Military Balance, 1991-92, International Institute of Strategic Studies, pp. 108-110. Most recent information was used when possible, so some data presented here may not agree with all sources listed above.

Note 2. Iraqi aircraft acquired during the Gulf War are not included in these numbers.

## APPENDIX B

### MILITARY EXPENDITURES OF MAJOR MIDDLE EAST NATIONS

Table 1. As Percent of GDP.

	1982	83	84	85	86	87	88	89	90	91
<u>IRAN</u>	4.3	3.4	2.6	2.5	3.0	3.0	-	-	-	-
<u>IRAQ</u>	12.3	18.4	24.3	29.1	26	24.2	24.3	23	20	20
<u>S.A.</u>	14.5	21.1	20.3	20.9	22	22.4	22.7	19.8	17.7	-
<u>ISRAEL</u>	23.5	19	20.2	21.4	14.4	11.3	10.2	9.1	8.7	8.4

Table 2. Calculated At Constant Prices (1988 US \$ Billion).

	1982	83	84	85	86	87	88	89	90	91
<u>IRAN</u>	10.23	8.5	8.1	9.7	9.3	7.7	7.4	5.7	5.3	6.1
<u>IRAQ</u>	21.95	28.6	31.6	23.5	16.5	17.1	12.9	10.7	9.2	7.4
<u>S.A.</u>	21.61	20.9	19.5	18.7	16.7	16.4	14.9	14.5	14.8	26
<u>ISRAEL</u>	7.3	8.0	8.4	5.2	4.3	4.1	3.8	3.8	3.8	3.9

Source: SIPRI Yearbook, 1992: World Armaments and Disarmament, pp. 260, 265.

Table 3. Defense Budget to GDP Comparison, 1991.

<u>Country</u>	<u>GDP</u>	<u>Defense Budget</u>	<u>DB/GDP Ratio</u>
Iraq	19.7 B	8.6 B	.43
Saudi Arabia	88B	13.9 B	.15
Israel	51.2 B	6.2 B	.12
Syria	17.4 B	1.6 B	.09
Iran	59.5 B	5.7 B	.09
Egypt	39.5 B	1.7 B	.04

Source: Edward B. Atkeson, A Military Assessment of the Middle East, 1991-96, p. 6.

Table 4. Comparison of Social and Military Spending of the GCC.

<u>Country</u>	<u>Social Service</u>	<u>Defense Budget</u>
Saudi Arabia	39.5%	25%
Kuwait	47.6%	15%
Bahrain	17%	33%
Qatar	14.6%	23%
UAE	32%	42%
<u>Oman</u>	<u>8.8%</u>	<u>43.7%</u>

Figures shown are percent of GDP. Source: Arab Monetary Fund, 1989, p. 364.

## APPENDIX C

### MOBILIZATION OF THE CITIZENRY

#### Comparison of Major Middle East Nations.

Country	Population	Armed Forces	Soldier/Cit Ratio
Syria	12,784,800	404,000	1:32
Israel	4,822,000	141,000	1:34
Iraq	19,854,600	382,500	1:52
Saudi Arabia	7,600,000	111,500	1:68
Iran	53,766,400	528,000	1:102
Egypt	56,018,800	420,000	1:133

Source: Edward B. Atkeson, A Military Assessment of the Middle East, 1991-96, p. 5.

## APPENDIX D

### ANTICIPATED IRANIAN ARMS ACQUISITIONS, 1991-1996

#### Combat Aircraft - 270-350 total

Confiscated from Iraq	115 MIGs and Mirages
Purchases from CIS/China	72 F-7 fighters
	68 MIG-29 fighters
	25 SU-24 strike acft
	24 MIG-27 attack acft
	24 MIG-31 fighter
	12 TU-22M Backfire bombers
	2 IL-76 Mainstay

Armored vehicles. 400-500 T-72 main battle tanks

#### Missiles.

SSM	170 Scud B/C
	150 Nodong I (N. Korea)
SAM	2000 launchers - various Russian designs

Submarines. 3 Kilo SS (2 received in 1993)

Source: Edward B. Atkeson, A Military assessment of the Middle East, 1991-96, p. 34.

<sup>1</sup>For a discussion of the perils of Wilsonian principles in the post-Cold War era see John Gray, "Backward into the Future", National Review, March 29, 1993, p. 27.

<sup>2</sup>Norman S. Fieleke, "A Primer on the Arms Trade", New England Economic Review, November-December, 1991, pp. 48-50.

<sup>3</sup>Ian O. Lesser, Oil, the Persian Gulf, and Grand Strategy: Contemporary Issues in Historical Perspective, RAND, 1991, p. 11.

<sup>4</sup>Ibid., p. 9.

<sup>5</sup>Ibid., p. 17.

<sup>6</sup>Ibid., p. 7.

<sup>7</sup>Ibid., p. 9.

<sup>8</sup> For a comprehensive discussion of Iran's geopolitical position, see Graham E. Fuller, The Center of the Universe: the Geopolitics of Iran, RAND Corporation Research Study, Westview Press, 1991.

<sup>9</sup>See R.K. Ramazani, "Iran's Foreign Policy: Both North and South", Middle East Journal, Summer, 1992, for discussion of the North-South orientation in Iranian affairs.

<sup>10</sup>Ibid., p. 8.

<sup>11</sup>See George Lenczowski, The Middle East in World Affairs, Fourth Edition, Cornell University Press, 1980, pp 50-51, 178-180, 190-198 for discussion of these events.

<sup>12</sup>See Ruhollah K. Ramazani, The Persian Gulf: Iran's Role, University of Virginia Press, 1972, for a good discussion of this concept.

<sup>13</sup>Fuller, p. 59.

<sup>14</sup>Shireen T. Hunter, The Post-War Middle East: the Flaws in U.S. Thinking, Middle East International, 8 February, 1991, p. 23.

<sup>15</sup>Fisher and Ochsenwald, The Middle East: A History, McGraw-Hill, 1990, p. 219.

<sup>16</sup>Ibid., p. 63.

<sup>17</sup> See Ramazani, The Persian Gulf: Iran's Role, pp. 13-14.

<sup>18</sup>Ibid., p. 16.

<sup>19</sup>Lenczowski, American Presidents and the Middle East, pp. 18-119.

<sup>20</sup>Ahrari, p. 16.

<sup>21</sup> These four vessels were constructed on the basic Spruance design, but added guided missile launchers fore and aft, along with the associated fire control systems. Uncompleted prior to the 1979 Revolution, they were taken into the U.S. Navy as the Kidd Class DDGs, and remain powerful anti-surface and anti-air weapons platforms. Author's personal knowledge.

<sup>22</sup>Nozar Alaolmolki, Emergence of Regional Hegemonical Power: Iran as a Case Study in the Region of the Persian Gulf, University Microfilms International, Ann Arbor Michigan, 1977, pp. 84-86.

<sup>23</sup>The first of these was delivered in November, 1992, while the second underwent Russian sea trials in the Baltic in April, 1993 prior to delivery. Reported in Middle East Economic Digest, May 14, 1993, p.24.

<sup>24</sup>Fuller, p. 61.

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<sup>26</sup>Ibid., p. 176.

<sup>27</sup>M.E. Ahrari, "Khomeini's Iran and Threats to Gulf Security", The Gulf and International Security, edited by M.E. Ahrari, St Martin's Press, 1989, p. 22.

<sup>28</sup>Ibid., pp. 23-24.

<sup>29</sup>Lenczowski, The Middle East in World Affairs, p. 49.

<sup>30</sup>Ibid., pp. 55-56.

<sup>31</sup>George Lenczowski, American Presidents and the Middle East, Duke University Press, 1990, pp. 8-9.

<sup>32</sup>Kermit Roosevelt, Countercoup, McGraw-Hill, 1979, Foreward.

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<sup>34</sup>Ibid., p. 181.

<sup>35</sup>Ruhollah K. Ramazani, The United States and Iran, Praeger Publishers, 1982, p. 4.

<sup>36</sup>Lenczowski, p. 181.

<sup>37</sup>Ramazani, p. 9.

<sup>38</sup>Lenczowski, American Presidents and the Middle East, Duke University Press, 1990, pp. 12-13.

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<sup>41</sup>Ramazani, p. 16.

<sup>42</sup>Lenczowski, American Presidents and the Middle East, pp. 36-37.

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<sup>50</sup>Lenczowski, American Presidents and the Middle East, p. 117.

<sup>51</sup>Ibid., p. 118.

<sup>52</sup>Gary Sick, All Fall Down: America's Tragic Encounter With Iran, Random House, 1985, p. 14.

<sup>53</sup>President Carter quoted in Lenczowski, American Presidents and the Midle East, p. 188.

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<sup>56</sup>Harold H. Saunders, "The Iran-Iraq War: Implications for U.S. Policy", Gulf Security and the Iran-Iraq War, Thomas Naff, editor, National Defense University Press, 1985, p. 72.

<sup>57</sup>Shireen T. Hunter, Iran After Khomeini, Center for Strategic and International Studies, Praeger Publishers, 1992, p. 118.

<sup>58</sup>Ibid., p. 118-119.

<sup>59</sup>Asaf Hussein, Islamic Iran: Revolution and Counter-Revolution, St Martin's Press, 1985, p. 8

<sup>60</sup>Ibid., p. 54.

<sup>61</sup>Hamid Algar, Religion and State in Iran, 1785-1906, University of California Press, 1969, p. 2.

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<sup>64</sup>Ibid., p. 5.

<sup>65</sup>Hussein, p. 26.

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<sup>67</sup>Shaul Bakhash, The Reign of the Ayatollahs, Basic Books, 1984, p. 22.

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<sup>70</sup>Ruhollah Khomeini, Islamic Government, Manor Books, 1979.

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<sup>72</sup>Richard Antoun, Muslim Preacher in the Modern World, Princeton University Press, 1989, pp. 253-254.

<sup>73</sup>Gregory Rose, Velayat-e Faqih and the Recovery of Islamic Identity in the Thought of Ayatollah Khomeini, pp. 167-168.

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